JOURNAL

OF THE

HOUSE OF REPRESENTATIVES

OF THE

COMMONWEALTH OF KENTUCKY

EXTRAORDINARY SESSION, 1936

(Reorganization Session)

Held in the State Capitol, in the Capital City of Kentucky,
at Frankfort, in the year of Our Lord 1936 and in
the One Hundred and Forty-Fourth year
of the Commonwealth

Begun on the twenty-fourth day of February and adjourned
sine die on the seventh day of March

BROOKS L. HARGROVE, *Chief Clerk*
MARSHALL BARNES, *Assistant Clerk*
JANE ADDAMS WADDLE, *Stenographer*

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(Reorganization Session)

MONDAY, FEBRUARY 24, 1936.

At a special session of the General Assembly of the Commonwealth of Kentucky, begun and held at the Capitol in the city of Frankfort, Kentucky, on Monday, the 24th day of February, in the year of Our Lord, one thousand nine hundred and thirty-six, and the one hundred forty-fourth year of the Commonwealth, in accordance and in obedience to a proclamation issued by the Governor of the Commonwealth on February 20, 1936, as hereinafter set out, the House of Representatives was called to order by The Honorable John Kirtley, Speaker of the House, and was opened with prayer by the Reverend Edward W. Baxter of the Protestant Episcopal Church of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	W. T. Baker	Douglas Bolling
Henry H. Allen	G. M. Ballard	Ollie J. Bowen
C. W. Anderson, Jr.	B. F. Bedford	Wallace Brown
H. T. Baker	Reuben J. Boling	Dr. R. A. Byers

Jas. C. Carter
V. O. Chandler
Floyd Clark
Roscoe Claxon
George S. Clay
J. A. Coleman
Roy Conway
Herbert Cook
Sam Dever
Stanley S. Dickson
George W. Dunlap
Howard G. Early
Garland Embry
Clarence E. Evans
Walter R. Fannin
Chas. P. Farnsley
T. P. Fitzpatrick
H. Myer Garner
James Garnett, Jr.
G. W. Garrett
Ferd A. Gnau
Ben Grogan
Jas. T. Hamilton
C. L. Hammons
W. L. Hampton, Jr.
Thomas W. Hines
Price Holbrook
Clyde S. Howard
Ira W. Hulette
John M. Hunnicut
Ben W. Johnson
J. H. Jones
O. C. Jones
R. T. Kirkman
J. F. Ladd
Leslie Larrimore
Robert E. Lee
M. T. McCarthy
T. B. McConnell
J. L. McDermott
Lloyd MacDonald
W. F. McGary
Elmer McGlothen
John Marshall
C. S. Matherly
D. T. Matlack
Duke Mayfield
G. S. Milam
W. H. Miller
John B. Mollett
W. E. Mull
Rodes K. Myers
J. C. Nickell
Russell O'Neill
Mel Petry
A. W. Pfeiffer
J. C. Ramey
Hobart Rayburn
Harry C. Records
L. K. Rice
Wade H. Riley
Joe E. Robinson
John C. Robinson
W. T. Rollo
Carl Scheben
Carl Schneider
Ray O. Shehan
Dr. B. F. Shields
P. L. Sidebottom
Chester D. Silvers
Bruce Sloan
H. C. Steely
Henry Stewart
Dr. H. S. Swope
W. R. Tapp
J. J. Thomas
R. Van Bever, Jr.
S. J. Wagner
Joseph L. Wall
Henry Ward
L. R. Wells
W. G. Williams
Charles Wylie

In appearing that a majority of all the members of the House are present, the following proclamation was read by Brooks L. Hargrove, Chief Clerk of the House, viz.:

To the General Assembly of the Commonwealth of Kentucky:

Whereas, the present structure of the government of Kentucky obstructs the economical and effective management of the State's business; and,

Whereas, bringing together the multiplicity of scattered boards, commissions, departments, and other agencies of the State, into a systematic, orderly plan is essential to effective administration at minimum expense; and,

Whereas, the people have emphatically expressed their opinion that the administrative branches of the government of Kentucky should be reorganized to make possible business-like and economical management of the affairs of state; and,

Whereas, preparation of a budget to provide for the economical financing of the state service is dependent on the prior reorganization of the State government;

Now, Therefore, In order to insure to the people of the Commonwealth a reorganized and efficient plan of government, and in accordance with the power vested in me by the Constitution of Kentucky to convene the General Assembly into Extraordinary Session, as Governor of the Commonwealth of Kentucky, I do issue this, my proclamation, convening the General Assembly of Kentucky in Extraordinary Session at the seat of government at Frankfort, Kentucky, at 12 o'clock noon, on Monday, February 24, 1936, for the sole purpose of considering the following subject:

(1) To pass an act reorganizing and simplifying the executive and administrative branches of the State government.

You will therefore, in accordance with this proclamation, assemble in said Extraordinary Session at the seat of government at Frankfort, Kentucky, on the day and date above written, to consider the subject herein mentioned and only said subject.

Given under my hand at 11:30 o'clock A. M., this the 20th day of February, 1936.

By the Governor:

A. B. CHANDLER,
Governor of Kentucky.

CHAS. D. ARNETT,
Secretary of State.

Mr. Myers offered the following resolution, viz.:

Be It Resolved by the House of Representatives: That all the elected employees of the House of Representatives in the 1936 General Assembly be and they are hereby continued in their respective offices for this 1936 Special Session; and,

Be It Further Resolved, That the Speaker of the House of Representatives be and he is hereby empowered to appoint such additional employees as he may deem necessary.

Said resolution was adopted.

Dr. Shields offered the following resolution, viz.:

Be It Resolved by the House of Representatives: That the Sergeant-at-Arms be directed to invite the pastors of the various churches of Frankfort, Kentucky to be present and open the meetings of this Special Session of the General Assembly, with prayer.

Said resolution was adopted.

Mr. Myers offered the following resolution, viz.:

Be It Resolved by the House of Representatives: That the rules covering the House of Representatives during the regular session of 1936 be and the same are hereby adopted as the rules of this House for this Extraordinary Session.

Said resolution was adopted.

Dr. Shields offered the following resolution, viz.:

Be It Resolved by the House of Representatives: That a Committee of this House be appointed by the Speaker to wait upon the Senate and notify that body that this House is now organized and ready to proceed to the transaction of business and that said Committee shall in conjunction with

a like Committee to be appointed from the Senate, wait upon the Governor and inform him that this General Assembly is now organized and ready to receive any communication he may have to make.

Said resolution was adopted.

Thereupon the Speaker appointed Messrs. W. T. Baker, Ramey, Garrett, Schneider and Hammons as members constituting said Committee.

After a time the Committee aforesaid, reported that they had discharged the duties imposed upon them and that they had been requested by the Governor to notify the House that the Governor would address the General Assembly in Joint Session at three o'clock P. M.

The Speaker introduced to the members of the House of Representatives, The Honorable Robert Worth Bingham, Ambassador to the Court of St. James, who addressed the House.

Dr. Shields moved that the House do now recess until the hour of three o'clock P. M.

Said motion was agreed to.

And then the House recessed

The hour of three o'clock P. M., having arrived, the Speaker resumed the Chair and called the House to order.

Thereupon the Senate of Kentucky appeared and in order, entered upon the floor of the House of Representatives and the Hon. Keen Johnson, Lieutenant Governor and President of the Senate, took the Chair and presided, and the Hon. John Kirtley, Speaker of the House of Representatives, having taken his seat on the right of the President of the Senate, the

two Houses were convened in Joint Session which was composed of a majority of the members elected to each body.

After a time the Committees appointed by the Senate and the House of Representatives to wait on the Governor, appeared upon the floor of the House with His Excellency, A. B. Chandler, Governor of Kentucky, who addressed the General Assembly in Joint Session, expressing his approval of the provisions contained in the Government Reorganization which is to be presented to the General Assembly.

Senator Wise moved that this Joint Session do now dissolve.

Said motion was agreed to.

Thereupon the Speaker resumed the Chair and called the House to order.

Mr. Milam offered the following resolution, viz.:

Whereas, the Reorganization Commitee heretofore appointed by the Governor has prepared a bill for the purpose of effecting a reorganization of the Governmental affairs of the State, which bill is now up for consideration in this House; and,

Whereas, said bill has been considered for several weeks by said Reorganization Committee and contains provisions materially affecting the State of the Commonwealth, which it is impossible for the members to understand without an explanation of same by those familiar with the provisions thereof: Now, Therefore,

Be it Resolved by the House of Representatives of the Commonwealth of Kentucky: That when said bill is reported by the Committee, that the House do then resolve itself into the "Committee of the Whole House" for the purpose of considering said bill, and that said bill at that time be com-

mitted to the "Committee of the Whole House" and at said time that Governor A. B. Chandler and all members of the Reorganization Committee be invited to discuss with the members of the House the provisions of said bill and the changes therein set out.

Mr. Milam moved that said resolution be laid on the Clerk's desk.

Said motion was agreed to.

By unanimous consent, Dr. Shields offered the following bill, viz.:

H. B. 1. An Act to reorganize and simplify the Departments of the State government for the purpose of providing for better service and economy; redistributing the powers and duties of the existing officers, departments, boards, commissions, institutions, and other agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for their coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications for, and methods of removal from, offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist.

Said bill is as follows, viz.:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I. SHORT TITLE AND DEFINITIONS

§ 1. *Short title.* This Act shall be known as the "Governmental Reorganization Act."

§ 2. *Definitions of terms.* In this Act, except where the context requires otherwise, the words and expressions defined in this section shall be held to have the meanings here given to them.

"Administrative department" means any executive or administrative agency of the State named in this Act as an administrative department; but does not mean any legislative or judicial agency.

"Agency" means any State officer, department, board, commission, institution, division, or other person or functional group heretofore existing or hereby created, that is authorized to exercise, or that does exercise, any executive or administrative function of government of the State.

"Constitution" means the Constitution of the Commonwealth of Kentucky.

"Division" means a major branch of an administrative department established hereunder, or by administrative action under authority hereof for the convenient performance of functions committed to a department by this Act.

"Employee" means the lawful incumbent of a position as defined or authorized in this Act.

"Functions" means jurisdiction, powers, duties, rights, and obligations conferred or imposed by law, or exercised, performed, or discharged by legal authority and not in contravention of any provision of law.

"Independent agency" means any agency of the State government which is not a part of an administrative department, except as provided in this Act for the Public Service Commission.

"Law" means the general and special statutory law of the Commonwealth of Kentucky.

"Position" means any office or employment, or combination of them, in the State service, involving an aggregation of duties to be performed and responsibilities to be exercised by one person.

"State" means the Commonwealth of Kentucky.

"State service" means the organization of the executive and administrative departments of the State government, as defined by the Constitution, taken together and the Legislative Council provided in this Act.

ARTICLE II. ADMINISTRATIVE DEPARTMENTS

§ 1. *Departments specified.* Except as otherwise provided by law, the functions of the State shall be divided, in the manner hereinafter provided, among the Governor and the administrative departments and independent agencies heretofore and hereby created and established, as follows:

I. Constitutional Administrative Departments:
1. The Governor.
2. Department of State.
3. Department of Law.
4. Department of the Treasury.
5. Department of Agriculture, Labor and Statistics.
6. Department of Education.
7. Department of Military Affairs.

II. Statutory Administrative Departments:
1. Department of Finance.
2. Department of Revenue.
3. Department of Highways.
4. Department of Welfare.
5. Department of Health.
6. Department of Industrial Relations.
7. Department of Business Regulation.
8. Department of Conservation.
9. Department of Library and Archives.

III. Independent Agencies:
1. Auditor of Public Accounts.
2. Legislative Council.

3. Board of Election Commissioners.
4. Railroad Commission.
5. State Racing Commission.
6. Public Service Commission.

ARTICLE III. THE GOVERNOR

§ 1. *The Governor.* The Governor shall continue to be the chief magistrate of the State in whom the supreme executive power of the Commonwealth shall be vested, as provided by the Constitution. He shall have and exercise all functions delegated to him by the Constitution and statutes, except such statutory functions as in this Act repealed, and such added functions as are provided by this Act.

ARTICLE IV. DEPARTMENT OF STATE

§ 1. *Functions.* All functions heretofore vested in the Secretary of State by the Constitution and the statutes, are hereby vested in the Department of State.

§ 2. *Organization.* The head of the Department of State shall be the Secretary of State, elected as provided by the Constitution.

ARTICLE V. DEPARTMENT OF LAW

§ 1. *Functions.* All functions heretofore vested in the Attorney General by the Constitution and the statutes, are hereby vested in the Department of Law.

§ 2. *Organization.* The head of the Department of Law shall be the Attorney General, elected as provided by the Constitution.

ARTICLE VI. DEPARTMENT OF THE TREASURY

§ 1. *Functions.* The Department of the Treasury shall perform the functions and have the powers vested in the State Treasurer by the Constitution and the statutes, and assigned to it by Chapter one hundred and fifty-five (155),

Article VI, Acts of the General Assembly of 1934, except as otherwise provided in this Act and such added functions as may have been conferred by law on the said Department or the State Treasurer.

§ 2. *Organization.* The Department of the Treasury shall be headed by the State Treasurer, elected as provided in the Constitution.

ARTICLE VII. DEPARTMENT OF AGRICULTURE, LABOR AND STATISTICS

§ 1. *Functions.* The Department of Agriculture, Labor and Statistics shall have and exercise all the administrative functions as now provided by law except as otherwise specified by law or in this Act, in relation to the promotion of the interest of agriculture. There shall be included in the biennial report of the Department analyses of rural labor conditions and statistics of labor conditions in rural communities of Kentucky. Except as otherwise provided in this Act, all State functions heretofore vested in the Kentucky Horticultural Society and in the Live Stock Sanitary Board of Kentucky, are hereby transferred to and vested in the State Board of Agriculture.

§ 2. *Organization.* The head of the Department of Agriculture, Labor and Statistics shall be the Commissioner of Agriculture, Labor and Statistics, elected as provided in the Constitution, who shall be Commissioner of Agriculture *ex officio.* The State Board of Agriculture as now established by law shall continue as the State Board of Agriculture, which shall have all the functions heretofore and herein vested in it, except as otherwise provided in this Act.

ARTICLE VIII. DEPARTMENT OF EDUCATION

§ 1. *Functions.* The Department of Education shall have and exercise the functions and shall be constitued as provided in Chapter sixty-five (65), Acts of the General Assem-

bly of 1934, and elsewhere in the statutes, except as otherwise provided in this Act.

The State Board of Education shall be vested with the administrative functions of the Board of Commissioners of the Kentucky School for the Deaf and the Board of Visitors of the Kentucky School for the Blind.

The functions of the State Geologist shall be transferred to the University of Kentucky, and administered under the supervision of the Board of Trustees of that institution. The State Geologist shall perform such duties as are now, or may hereafter, be prescribed by law.

ARTICLE IX. DEPARTMENT OF MILITARY AFFAIRS

§ 1. *Functions.* The Adjutant General shall be the executive head of the Department of Military Affairs and he shall have and exercise all the functions vested in the Adjutant General and the Department of Military Affairs by the Constitution and the statutes. The salary of the Adjutant General shall be Five Thousand Dollars ($5,000) annually. The Department of Military Affairs shall consist of the following three divisions: (a) The National Guard; (b) Veterans; and (c) Armories.

§ 2. *National Guard.* The National Guard shall be continued as heretofore established.

§ 3. *Veterans' Division.* The functions heretofore performed by the Kentucky Disabled Ex-Service Men's Board, provided by Chapter twenty-eight (28), Acts of the General Assembly of 1934, shall, beginning July 1, 1936, be continued by the veterans' division of the Department of Military Affairs. The division shall prepare in proper form, present, and prosecute the claims of disabled ex-service men and women and their dependents with the United States Veterans' Administration and other federal agencies; secure and expedite action on said claims; keep in contact with the United States Veterans' Adminstration so that the status of any claim may be known at any time; continue to survey the state

to make certain that no disabled veteran or his dependents are neglected; and perform such other duties as the Adjutant General may direct.

The words, "veterans" and "ex-service men and women," as used in this Act, include any individual who served on active duty in the army, navy, or marine corps of the United States and who has received an honorable discharge from such service.

General administration of the work of this division shall be lodged in the Adjutant General who shall direct the work in the light of advice from the Kentucky Disabled Ex-Service Men's Board of three members. Said board shall be composed of the Lieutenant-Governor, who shall act as chairman of the board; the State Commander of the American Legion, Department of Kentucky; and the Adjutant General, all *ex officio* members. The members of the Board shall serve without compensation, but they shall be reimbursed for necessary travel expenses incident to their official duties under this section.

This section shall not be effective after June 30, 1938.

§ 4. *Division of armories.* Except as otherwise provided in this Act, this division shall have the powers of the Armory Commission Division as constituted by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, Article XI, section two (2).

The division shall be headed by a director, experienced in the administration of real property.

Article X. Department of Finance

§ 1. *Functions.* The Department of Finance shall have and exercise all administrative functions of the State, except as otherwise provided in this Act in relation to:

(a) Developing financial policies and plans for consideration by the Governor as the basis for his budget and recommendations to the General Assembly and preparing the de-

tailed documents in accordance with the financial plans of the Governor for presentation to the General Assembly; (b) coordinating and supervising the fiscal affairs and fiscal procedures of the State to insure the carrying into effect of the definite financial policies and plans approved by the General Assembly; (c) accounting, including budgetary accounting, and accounting control of the incurring of obligations; (d) fiscal reporting; (e) pre-auditing of expenditures and current auditing of receipts and receivables; (f) purchasing and storekeeping and control of property and stores (g) administering all provisions of law of general application relating to employment and compensation of personnel; (h) keeping accounts controlling all receivables of the State; (i) maintaining and operating public buildings, except those provided for the exclusive use of any one agency; and (j) auditing the accounts of the Treasurer and Auditor of Public Accounts as required by the Constitution and, until the first Monday in January, 1940, conducting all post audits.

All such functions, as set out in this section, heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Finance.

Effective the first Monday in January, 1940, all functions of the Auditor of Public Accounts having to do with the keeping of records, the disbursement of public moneys, and other matters relating to financial administration not enumerated here, except as otherwise provided in this Act, are hereby vested in the Department of Finance, to be exercised as provided in this Act. Specifically, the functions immediately transferred to, and vested in, the, the Department of Finance, except as otherwise provided in this Act, shall include all functions of the

Department of Finance and Budgetary Control, and

Department of Public Property.

The functions assigned by Chapter twenty-five (25) of the Acts of the General Assembly of 1934 to the Auditor of

Public Accounts and the State Budget Officer, as well as those assigned to the Department of Finance and Budgetary Control, shall hereafter be vested in and exercised by the Department of Finance. The Department of Finance shall also hereafter make the investigations heretofore required of the State Inspector and Examiner under Section 4630, Kentucky Statutes, Carroll's 1930 Edition and, until the first Monday in January, 1940, shall make post audits and perform other functions transferred as of the first Monday in January, 1940, Article XIX hereof from the State Inspector and Examiner to the Auditor of Public Accounts. The functions transferred to, and vested in, the Department of Finance shall include also, except as otherwise provided in this Act, all functions of the Division of Confederate Pensions in the Military Department in relation to accounting and drawing warrants for payments, all functions of the State Inspector and Examiner in relation to the State budget, and all other functions heretofore vested in each agency mentioned in this section, and in every agency not specifically mentioned herein, in relation to the functions enumerated at the beginning of this section. All revenue collected for the Commonwealth of Kentucky shall be covered through the Department of Finace into the Department of the Treasury. All revenues and other receipts covered through the Department of Finance into the State Treasury shall be certified to the first Monday in January, 1940, to the Auditor of Public Accounts, so that his record of receipts may be complete.

Every requisition for a disbursement from the State Treasury for any purpose whatsoever must be approved by the Department of Finance prior to the issuance of any warrant on the State Treasurer by the Auditor of Public Accounts or any agent or employee of his office.

Hereafter, the Department of the Treasury may stamp warrants interest-bearing only after the approval in writing by the Department of Finance; provided, that the Depart-

ment of Finance may, at its discretion, give such approval in general terms.

§ 2. *Organization.* The Department of Finance shall be headed by a Commissioner of Finance and shall be divided for administrative purposes into a division of the budget, a division of accounts and control, a division of purchases and public properties, and a division of personnel efficiency. The Commissioner of Finance shall be the chief financial officer of the State and the advisor of the Governor and the General Assembly in financial matters, and at all times shall be charged with protecting the financial interests of the state. He shall be responsible to the Governor for the administration of the Department.

§ 3. *Division of the budget.* The division of the budget under the direction of the Commissioner of Finance, shall perform such functions relating to the preparation and administration of the State budget as may be required by the Commissioner of Finance. In general, this division shall be responsible for all matters relating to the State budget as provided in Chapter twenty-five (25), Acts of the General Assembly of 1934, Articles III, IV, V, VI, and IX, and elsewhere in the statutes. The division of the budget shall be headed by a director of the budget, who shall be a person acquainted with the methods and technique of public budgeting. Subject to prior approval of the Governor in writing, the Commissioner of Finance may serve as director of the budget, or he may appoint a director of the budget, as provided in this Act, who shall serve under his supervision and direction.

§ 4. *Division of accounts and control.* The division of Accounts and Control shall perform such record-keeping functions as the Commissioner of Finance may direct. In general, the functions outlined in Article VII of Chapter twenty-five (25), Acts of the General Assembly of 1934, shall be performed by this division; but the division shall maintain such additional records and prepare such additional reports as the Commissioner may require.

The division of accounts and control shall be headed by a controller, preferably a certified public accountant, who shall have had substantial experience during the preceding four years in federal, state, or local accounting, and/or auditing.

§ 5. *Division of purchases and public properties.* The division of purchases and public properties under the direction of the Commissioner of Finance, shall purchase for the combined requirements of all spending agencies of the State all supplies, materials, and equipment, except library books and scientific equipment, or shall control or delegate the purchase thereof. The division shall have supervision over all purchases by the various spending agencies, except as otherwise provided in this Act, and may prescribe rules to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance; and no purchase or contract shall be binding on the State or any agency thereof unless approved by the division or made under general regulations which the Department may prescribe. The division shall maintain perpetual inventories of plant and equipment. It shall have power, with the approval of the Commissioner of Finance, to transfer between departments, to salvage, to exchange, and to condemn supplies and equipment. It shall sell all property of the State determined, with the approval of the Governor, not to be needed for public use or to have become unsuitable for such use. It shall fix standards of quality and quantity, and shall develop standard specifications in consultation with the several spending agencies of the State. It shall maintain records of supplies for various classes of purchases, unit costs under contracts, trends of prices and costs, and other matters incident to performance of its functions as the Commissioner of Finance directs. It shall attempt in every practicable way to insure the State's supplying its real needs at the lowest possible cost.

The division shall operate a mail and messenger service for all agencies located at the seat of government and shall

handle all postage for such agencies, so far as practicable by postage meter, and may maintain a control supply service including control storeroom for stationery and office supplies. It shall provide such duplicating and minor printing services to other agencies as can practicably and economically be rendered by means of available types of office equipment. It shall provide, so far as practicable, clerical and stenographic services as needed for unusual work demands of other agencies at the seat of government above the normal demands that can be met by their permanent staff.

It shall be responsible for the custody, management, maintenace, improvement, and operation of all buildings and grounds owned or leased for the use of agencies of the State other than buildings and grounds maintained for the exclusive use of any one agency. It shall have authority to allocate the space in the State Capitol and any other building or buildings in its custody to the various agencies, according to their several needs and the space available, and to leave and allocate space for the housing of agencies that cannot be so accommodated when funds are made available for that purpose.

The division of purchases and public properties shall be headed by a purchasing agent, who shall have had four years of responsible experience in purchasing, or equivalent experience.

§ 6. *Division of personnel efficiency.* The division of personnel efficiency under the direction of the Commissioner of Finance, shall: (a) test and pass upon the qualifications of all applicants for appointments to and promotion in the various positions in the several deartments and agencies of the State government, except as hereinafter provided; (b) establish lists for employment and re-employment from which appointments are to be made to the various positions in the State service; (c) prepare and maintain a roster of all employees in the State service; (d) ascertain the correctness and validity of all payrolls before they may be lawfully author-

ized for payment; (e) ascertain and record all duties, responsibilities, and authority pertaining to the various positions in the State service, and to classify such positions in the manner hereinafter provided; (f) make studies of the rates being paid for each class of positions for similar or comparable services elsewhere and other information and data pertaining to proper rates of compensation, and to prepare a schedule of compensation for each class of positions with a minimum salary rate, a maximum salary rate, and such intermediate salary rates as may be deemed necessary and equitable; (g) devise, install, and administer service rating systems and training courses for employees insofar as may be practicable; (h) arrange for and pass upon transfers and regulate annual sick and special leaves of absence, hours of work, lay-offs, and removals, in accordance with the provisions of this Act; (i) transfer, temporarily, employees from one department to another when necessary to expedite the work of any department; (j) certify to each department, institution, or agency such clerical and other employees as the department may deem necessary for efficient service; (k) make investigations pertaining to personnel, salary scales, and employment conditons in the State service; and (l) prepare, adopt and administer such rules and regulations as may be required to carry out the provisions of this section.

The division shall determine the qualifications of applicants for positions in the State service by tests, in connection with which appropriate credit is allowed for experience in the public service or in private employment of comparable character. Such tests may be wrtten, oral or physical, or in the form of a demonstration of skill, or any combination of these, and shall be of such character as fairly to determine the qualifications, fitness, and ability of the persons tested actually to perform the duties of the class of positions in which they seek appointment. Such tests shall be competitive, free, and open to all persons who may be lawfully appointed

to any position in the class for which they are held with such limitations as to age, residence, health, habits, character, and sex as the division considers desirable and specifies in the public announcement of the test. For positions involving unskilled and semi-skilled labor or work, or involving domestic, attending or other housekeeping or custodial services at institutions where the character of the work, the relatively low rate of compensation, or the place of work, makes it impractical to secure at stated times a sufficient number of applicants to supply the needs of the service, the division may provide by regulation for a procedure which permits the testing of applicants, singly or in groups, at stated places in counties or cities, for such labor or work, and at institutions or elsewhere for domestic, attending, housekeeing, or custodial service at any time on due notice of such tests, but without public announcement.

Heads of departments and divisions herein explicitly provided, private secretaries of heads of such departments and divisions, members of State boards or commissions, the judges and clerks of courts and the employees thereof, employees of the House and Senate, directing heads of the university, colleges, and other State schools and all professors, teachers and staffs in these institutions shall be exempt from the test required in this section. All other appointive offices and employees of the State service entering State employment after September 1, 1936, shall be required to pass required tests before they shall be eligible for appointment, provided that the division of personnel efficiency may authorize the filling of a position at once by a provisional appointment not renewable, for not more than four months; and provided further, that he may also authorize temporary appointments, with or without tests, and not subject to renewal, for a period not exceeding three months.

The division of personnel efficiency, as soon as practicable after this Act takes effect, shall ascertain the duties and

responsibilities of all positions in the State service and prepare and adopt a classification plan, together with the rules for its administration. Such classification plan shall show for each class of positions: the title given to each class; a statement of duties and responsibilities of those holding positions in each class; the minimum and desirable qualifications required of each incumbent; the natural and probable lines of promotion to and from the class; and the appropriate salary ranges showing minimum, maximum and intermediate rates for each class.

In establishing any employment list following tests for entrance into State service, the division of personnel efficiency shall place on the list in the order of the earned ratings on the complete tests, the names of persons who show they possess the qualifications which render them eligible to appointment when a vacancy in any position allocated to the class occurs. Except as provided herein, all appointments, including promotions, made by the executive or appointing officers of departments, institutions and agencies of the State government shall be from employment lists furnished or approved by the division. Said division shall provide by rule for the consolidation, continuation, and cancellation of employment lists and for the removal of names therefrom for good cause.

The division shall prepare and maintain a roster of State employees, showing for each employee his name, postoffice address, title of position held, rate of compensation, and change in status, including increases or decreases in pay, changes in title, transfers, sick and annual leave, and any other pertinent facts not enumerated here. In order that this roster may be kept current, the appointing officer of each department, institution, or agency, shall notify the division immediately of changes in the status of any subordinate officer or employee with respect either to position or salary—whether or not the position is exempt from the requirements of this section.

The division shall check or cause to be checked, all payrolls, or supply to another designated division the proper data for checking such payrolls. Before compensation may be lawfully paid to State officials or employees, the Department of Finance shall have authority to demand supporting information sufficient to ascertain that the persons whose names appear on the payrolls have been legally employed in the performance of the duties indicated at the compensation rates and for the periods for which pay is claimed.

The appointing officer of each department, institution, or agency of the State government shall have the authority to remove any subordinate officer or employee under his jurisdiction from the position which said officer or employee may hold, and the executive or appointing officer shall forthwith notify the division of his action. If the subordinate officer or employee so removed shall request it in writing, the officer making the removal shall file with the division a statement setting forth the reasons for such removal, and this statement shall be open to public inspection. In all such cases, however, the action of the officer making the removal, so long as he shall act within his authority, shall be final.

No person holding a position as subordinate officer or employee in the State service shall directly or indirectly use, or seek to use, his authority, or official influence, to control or modify the political action of any other person, or during the hours of duty engage in any form of political activity, or at any other time take such part in political activities or political campaigns as to affect or impair his usefulness in the position in which he is employed.

The division of personal efficiency shall be headed by a director, chosen on the basis of training, experience and qualifications for the position, who shall have had at least four years experience in personnel management or equivalent experience and shall preferably have had specialized training in prsonnel administration.

ARTICLE XI. DEPARTMENT OF REVENUE

§ 1. *Functions.* The functions heretofore performed by the Department of Revenue and Taxation, except as otherwise provided in this Act, are hereby vested in the Department of Revenue. All other tax administration functions heretofore performed by other agencies of the State, including all functions of revenue agents,. which agents are hereby abolished, shall hereafter be performed by the Department of Revenue, either directly or through supervision by that department of tax administration activity in other departments to which the Department may commit administration of certain taxes; provided, that in no instance shall the Auditor of Public Accounts continue to administer any taxes, or supervise the local administration thereof, or receive directly from local officials revenues collected in the several counties. All such taxes shall hereafter be administered, supervised, and/or received by the Department of Revenue and covered through the Department of Finance into the Department of the Treasury.

The functions of the State Inspector and Examiner having to do with investigation, examination, and supervision of accounts and operation of local government and local government officers aside from post auditing are hereby transferred to, and vested in, the Department of Revenue.

§ 2. *Organization.* The Department of Revenue shall be headed by a Commissioner of Revenue, who shall be the executive officer and shall have sole charge of the administration of the Department.

The Governor shall appoint two associate commissioners, who with the Commissioner of Revenue shall constitute the Kentucky Tax Commission. The first term of office of one of these commissioners shall expire June 30, 1937, and the first term of the other shall expire June 30, 1938. Thereafter, the term of office of each associate commissioner shall be four years. Each associate commissioner shall head a division of

the Department of Revenue as directed by the Commissioner of Revenue, and shall be paid Four Thousand Dollars ($4,000.00) annually for his services.

The Department of Revenue shall be divided for administrative convenience into the division of general taxation, the division of motor vehicles, the division of local finance, and the division of research and statistics.

§ 3. *Kentucky Tax Commission.* The functions of the Kentucky Tax Commission shall be exclusively (a) to make assessments required to be made heretofore by the State Tax Commission or assigned in this Act to the Department of Revenue; (b) to hear appeals and to review assessments authorized by law to be made by the Department of Revenue; and (c) to promulgate such rules and regulations as are required by law or as the Commission deems necessary to facilitate enforcement of the laws of the Commonwealth subject to administration by the Department of Revenue. All other functions in this Act or hereafter assigned to the Department of Revenue or to the Kentucky Tax Commission shall be performed by the Commissioner of Revenue, as executive and administrative head of the Department and chairman of the Commission.

§ 4. *The division of general taxation.* The division of general taxation shall perform such functions relating to the administration of the tax laws of Kentucky as may be required by the Commissioner of Revenue. In general, this division shall be responsible for administering tax laws heretofore handled through the general offices of the Department of Revenue and Taxation.

The division of general taxation shall be headed by a director of taxation, who shall be a person having had four years of responsible administrative or investigational experience in the field of taxation. The Commissioner of Revenue, if meeting these qualifications, with prior approval of the

Governor in writing may serve as director of taxation; or he may appoint a director, as provided in this Act.

§ 5. *Division of motor vehicles.* The division of motor vehicles, under the direction of the Commissioner of Revenue, shall be charged with the registration of all motor vehicles. If directed by the Commissioner of Revenue, this division shall also administer the gasoline tax heretofore administered through the general offices of the Department of Revenue and Taxation.

The division of motor vehicles shall be headed by a director, who shall be a person having had at least four years of responsible administrative experience.

§ 6. *Division of local finance.* The division of local finance, under the direction of the Commissioner of Revenue, shall exercise all functions in relation to investigation, examination, and supervision of the accounts and operation of local governments and local government officers aside from post auditing heretofore vested in the State Inspector and Examiner.

The division of local finance shall be headed by a director, preferably a certified public accountant, who shall be acquainted with the administration of local finances and who shall have had four years of responsible experience in government administration and/or investigation.

§ 7. *Division of research and statistics.* The division of research and statistics, under the direction of the Commissioner of Revenue, shall be charged with the compilation and analysis (or supervision thereof) of statistical information relative to taxation and finance in the State and each of its political subdivisions. It shall be the duty of this division to make such investigations into matters of taxation in Kentucky or elsewhere as may from time to time be required by the Commissioner of Revenue and to submit reports on the results of its studies in the form prescribed by the Commissioner,

The division of research and statistics shall be headed by a director, who shall have had four years experience in research work, at least three years of which shall have been in the field of taxation and other branches in public finance.

ARTICLE XII. DEPARTMENT OF HIGHWAYS

§ 1. *Functions.* The Department of Highways shall have and exercise all the functions heretofore held and exercised by the State Highway Commission of Kentucky, except as otherwise provided in this Act.

§ 2. *Organization.* The Department of Highways shall be headed by a Commissioner of Highways, who shall have sole charge of the administration of the Department. With prior approval by the Governor in writing, the Commissioner of Highways shall appoint as State Highway Engineer, a civil engineer having had at least four years executive engineering experience after receiving his C. E. degree from an accredited university or college. The State Highway Engineer shall be paid an annual salary of Five Thousand Dollars ($5,000.00). He shall be the technical advisor to the Commissioner of Highways, and under the direction of said Commissioner, he shall supervise all construction and maintenance work of the Department and he shall perform such other duties as are assigned to him by the Commissioner. In the absence or disability of the Commissioner, the State Highway Engineer shall act for the Commissioner.

The Department shall be divided for administrative convenience into a division of construction, a division of records, a division of equipment, a division of maintenance, and a division of highway patrol, which division shall be responsible for the enforcement of the highway laws of the Commonwealth and for such other functions as the Governor may direct in writing. Each division shall perform such duties as may be assigned it by the Commissioner of Highways and shall be headed by a director who shall act under the direction and supervision of the Commissioner of Highways.

§ 3. *State Highway Commission.* There is hereby also created a State Highway Commission which shall serve in an advisory capacity to the Commissioner of Highways. The Commissioner of Highways shall serve as *ex officio* chairman of the State Highway Commission.

In addition to the Commissioner of Highways *ex officio* chairman, the Commission shall be composed of nine members appointed by the Governor for four-year terms. One commissioner shall be appointed from each congressional district. Each commissioner shall be paid an annual salary of Three Thousand Dollars ($3,000.00) and in addition shall be allowed his actual and necessary traveling expenses for the attendance at regular and call meetings of the whole Commission. The State Highway Commission shall hold at least quarterly meetings at the seat of government and shall hold such other meetings at the seat of government or at a place designated by the Commissioner of Highways as may be called by the Commissioner of Highways.

The nine members of the State Highway Commission appointed from congressional districts shall be known as Advisory Commissioners and it shall be their duty to ascertain the condition of the state highways in their respective districts and the highway needs of said districts and to acquaint the Commissioner of Highways from time to time as to such conditions and needs. They shall also advise the Commissioner of Highways relative to the personnel needs and the personnel efficiency of the state highway forces in their respective districts. It shall be their further duty to advise the Commissioner of Highways as to the most practical and feasible plans for the maintenance of county highways in the several counties of their respective districts, when such counties indicate their desire for the State Highway Department to aid in the maintenance of such county roads. The nine advisory commissioners, individually and when acting as a group, shall have no administrative authority or responsibility in the operation of the Department of Highways.

ARTICLE XIII. DEPARTMENT OF WELFARE

§ 1. *Functions.* The Department of Welfare shall have and exercise all administrative functions of the State except as otherwise provided in this Act in relation to: (a) the management and control of penal and eleemosynary institutions; (b) the administration and supervision of all forms of public assistance, including general home relief, outdoor and indoor care for persons in need, old age assistance, aid to dependent children, aid to the blind and otherwise handicapped; the supervision of agencies and institutions caring for dependent, mentally or physically handicapped, or aged adults; approval of the incorporation of charitable agencies and such welfare activities or services; (c) the administration and supervision of all child welfare activities, except those vested in the Department of Health; licensing and supervision of private and local public child care agencies and institutions; the care of dependent, neglected, and delinquent children in homes or in institutions, especially children placed for adoption or those of illegitimate birth; the control of State institutions for children and the supervision of juvenile probation; (d) the administration and supervision of all mental hygiene work, including the operation of all State institutions for the care of the mentally ill or feeble-minded persons and provisions for their non-institutional care; (e) the provisions of welfare service to county governments, including the organization and supervision of county welfare departments for the effective administration of welfare functions and the compilation of statistics and necessary information relative to public welfare problems throughout the State; (f) provisions of assistance to other departments, agencies, and institutions of the State and federal governments, when so requested by performing services in conformity with the purposes of this Article; (g) acting as the agent of the federal government in welfare matters of mutual concern and in the administration of any federal funds granted to the State to aid in the performance of any function

of this Department; (h) operating a laboratory of criminal identification and statistics; and (i) under rules and regulations prescribed by this Department, the designation of county departments to serve as agents in the performance of State welfare activities in the county.

The administration of all functions heretofore vested (a) in the Kentucky Crippled Children's Commission; (b) the Kentucky Children's Home Society; (c) the Kentucky Home Society for Colored Children; (d) the Home for Incurables; (e) the Hospital of the Red Cross Association (Colored); and (f) the Trustees of the Kentucky Confederate Home are hereby transferred to and vested in the Department of Welfare.

§ 2. *Organization.* The Department of Welfare shall be headed by a Commissioner of Welfare, advised by a Board of Welfare, and shall be divided for administrative purposes into a division of public assistance; a division of child welfare; a division of mental hygiene; a division of correction; and a laboratory of criminal identification and statistics. The Commissioner of Welfare shall be the executive head of the Department, and shall have sole charge of the administration of the Department, and shall serve as chairman *ex officio* of the Board of Welfare.

The advisory Board of Welfare shall be composed of five eminent Kentuckians appointed by the Governor. The term of one member shall expire December 31, 1936; one, December 31, 1937; two, December 31, 1938, and one, December 31, 1939. Thereafter, each member shall serve for four years and until his successor is appointed and qualified. The members of the Board shall be allowed a per diem of Ten Dollars ($10.00) per day and expenses for each day they are on official duty.

§ 3. *Division of public assistance.* This division, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of assistance to the needy aged as provided by law; (b) make rules and regulations and take such action as may be necessary and desirable to carry out the pro-

visions of the laws relative to old age pensions and assistance; (c) prescribe the form of, and print and supply to the proper authority, blanks for application, affidavits, reports and other forms as it may deem necessary; (d) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act and approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid or assistance to the needy aged and in conformity with the provisions of this Act; and (e) prepare an annual report at the close of each fiscal year, showing for such year the total amount paid, the total number of persons assisted and such other particulars as it may deem advisable. The director of this division shall be a person thoroughly trained and experienced in welfare work.

§ 4. *Division of child welfare.* The division of child welfare, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of assistance to dependent children by local welfare departments; (b) prescribe the form of, and print and supply to the county department, blanks for reports, affidavits, and such other forms as it may deem necessary and advisable; and (c) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid to dependent children in conformity with the provisions of that Act. The director of this division shall be a person thoroughly trained and experienced in child welfare work.

§ 5. *Division of mental hygiene.* The division of mental hygiene, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of the State institutions for the insane at Lakeland, Lexington, and Hopkinsville; (b) supervise the administration of the Kentucky Feeble-Minded Institute at Frankfort; (c) provide the proper medical attention for the inmates of these institutions and such treatment as will tend toward the improvement of their mental

condition; and (d) provide for the employment of the employable inmates of these institutions on such work as will contribute to the improvement of the mental and physical condition of the inmates and the maintenace of the institution. The director of this division shall be a person thoroughly trained and experienced in mental hygiene work.

§ 6. *Division of corrections.* The division of corrections, under the direction of the Commissioner of Welfare, shall (a) supervise and administer the State Reformatory at Frankfort, the State Penitentiary at Eddyville, and the Houses of Reform at Greendale; (b) supervise the employment of prisoners either within or without the walls or enclosures of these institutions; and (c) provide, by such scientific methods as may be appropriate, for the reformation of persons incarcerated in the State penal and correctional institutions, including probation and parole. The director of this division shall be a person thoroughly trained and experienced in penology and prison management.

§ 7. *Laboratory of criminal identification and statistics.* There shall be established, equipped, and maintained a laboratory of criminal identification for the purpose of receiving and filing fingerprints, photographs, and other records pertaining to the investigation of crime and the apprehension of criminals. The laboratory shall be operated by a superintendent under the direction of a Commissioner of Welfare.

The laboratory shall cooperate with the State, county and city law enforcing agencies and with the identification agencies of other states and of the United States, in order to develop and carry on an interstate and national system of criminal identification. Persons in charge of any penal or correctional institution in the State and State law-enforcement officers, sheriffs, deputy sheriffs, constables, and all peace officers of the State operating such identification facilities, shall cooperate in providing the laboratory of criminal identification with fingerprints and descriptions of all persons lawfully commit-

ted to their custody or detained by them, in cases where fingerprints and descriptions are taken together with a report of the disposition of all cases of such persons. The superintendent of the laboratory of criminal identification and statistics shall have had successful experience in the field of criminology.

ARTICLE XIV. DEPARTMENT OF HEALTH.

§ 1. *Functions.* The Department of Health shall have and exercise all the administrative functions of the State in relation to public health, sanitation, food and drug control, and the prevention and control of communicable diseases, except as other wise provided by the statutes. The Department of Health shall be constituted and shall perform the functions provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

§ 2. *Organization.* The organization of the Department of Health shall be that provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

ARTICLE XV. DEPARTMENT OF INDUSTRIAL RELATIONS

§ 1. *Functions.* The Department of Industrial Relations shall have and exercise all administrative functions of the State concerned with employer-employee relationships, heretofore provided by law, including specifically (a) the functions relating to employer-employee relationships and the safety of workers heretofore assigned to the Chief Inspector of Mines and to deputy inspectors; (b) the Department of Mines and Minerals; (c) the Workmen's Compensation Board; (d) the Kentucky Employment Service provided by Chapter thirty-one (31), Acts of the General Assembly of 1932; (e) the director of unemployment compensation; and (f), effective the first Monday in January, 1940, the Chief Labor Inspector

and his deputy inspectors. In general, the Department of Industrial Relations shall be charged with the reduction of health and accident hazards in industry, the accumulation and publication of industrial statistics, the promotion of friendly relationships between employers and employees, and the development of better living conditions for the latter. The Department is authorized to perform such functions conducive with these purposes and consistent with the law of the Commonwealth as it may deem appropriate and as the General Assembly shall provide by appropriation.

§ 2. *Organization.* The Department of Industrial Relations shall be headed by a Commissioner of Industrial Relations, paid an annual salary of Four Thousand Dollars ($4,000.00), and shall be divided for administrative purposes into such divisions consistent with this Act and the functions vested by law in the Department as may be determined by the Commissioner of Industrial Relations with the approval of the Governor.

§ 3. *The Workmen's Compensation Board.* The Workmen's Compensation Board shall be continued as now established by law as a part of the Department of Industrial Relations and the members shall give full time to the work of the Board. They shall receive Four Thousand Dollars ($4,000.00) annually for their services. Under the general supervision of the Commissioner of Industrial Relations, the Workmen's Compensation Board shall continue to perform the functions heretofore vested in and exercised by said Board; provided, however, that all decisions and findings of the Board shall be certified to the Commissioner of Industrial Relations. The actual administration and the carrying out of such decisions and findings of the Board shall be performed by the Commissioner of Industrial Relations, and the Commissioner of Industrial Relations shall supervise and manage all financial

matters for the Board. So much of Section 4920 of the Kentucky Statutes, Carroll's 1930 edition, as is inconsistent with this section is hereby repealed.

The Workmen's Compensation Board shall prepare such rules and regulations as it may deem necessary for the carrying on of the work and not inconsistent with this Act, which rules and regulations shall be subject to the approval of the Commissioner of Industrial Relations. The Commissioner of Industrial Relations shall, upon recommendation of the Workmen's Compensation Board, establish and fill such positions, including medical services and advice, in accordance with this Act as may be deemed necessary for carrying on the Board's work, and as may be provided within the limits of appropriations, and so much of section 4923, Kentucky Statutes, Carroll's 1930 edition, as designates positions and salaries paid, is hereby repealed.

Hereafter, where there exists in this state any plan, custom, or system whereby the employees in any industry, or the employees at any industrial plant or operation contribute to the payment of any physician or surgeon for furnishing medical or surgical treatment, by deductions from their wages through the office of the employer, the employees at any such industrial plant or operation shall have the right, by a majority vote, to name the physician or surgeon so employed. Such employees shall certify their choice to the employer where such physician or surgeon is employed or is to be employed. No physician or surgeon shall be employed and paid, by deductions from the wages of employees, except as herein provided, and the employer shall certify such appointment to the Department of Industrial Regulations for approval.

ARTICLE XVI. DEPARTMENT OF BUSINESS REGULATION

§ 1. *Functions.* The Department of Business Regulations shall have and exercise all the administrative functions of the State except as otherwise provided in this Act in rela-

tion to (a) the supervision of motor transportation for hire; (b) the regulation of the manufacture and sale of intoxicating liquors; (c) the supervision of banks and kindred financial institutions; (d) the regulation of insurance practices; and (e) the administration of examining functions for professional and semi-professional groups, except as provided herein.

All functions heretofore vested by law in the Athletic Board of Control, the Department of Motor Transportation of the Department of Revenue and Taxation, the functions assigned by Chapter one hundred and forty-six (146), Acts of the General Assembly of 1934, to the State Tax Commission, the Department of Banking and Securities, the Department of Insurance, the Department of Health, insofar as are concerned with examining boards explicity mentioned in this section are hereby transferred to and vested in the Department of Business Relation.

§ 2. *Organization.* The Department of Business Regulation shall be headed by a Commissioner of Business Regulation who shall be the Chairman of the Public Service Commission and shall be divided for administrative purposes into a division of motor transportation, a division of alcoholic control, a division of banking, a division of securties, a division of insurance, and a division of professional standards. The heads of the divisions of said Department shall be appointed by the Governor.

§ 3. *Division of motor transportation.* The division of motor transportation, headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all the functions in relation to the regulation of motor vehicles for hire and of their operation, heretofore provided by law and assigned to the Department of Revenue and Taxation. The qualifications of the director of this division shall include four years experience in the work of motor vehicle regulation or equivalent experience.

§ 4. *Division of alcoholic control.* The division of alcoholic control, headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with the enforcement of the Kentucky Alcoholic Control Act, Chapter one hundred forty-six (146), Acts of the General Assembly of 1934, heretofore administered by the Department of Revenue and Taxation. The director shall have had four years experience in business regulation or equivalent experience.

§ 5. *Division of banking.* The division of banking headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with all banking functions heretofore vested in the Department of Banking and Securities and enforce all laws relating to banks, trust companies, and other financial institutions heretofore performed by any other department, agency, or officer of the Commonwealth. The director of this division shall have had at least four years of successful business experience.

§ 6. *Division of securities.* The division of securities headed by a director under the supervision of the Commissioner of Business Regulation, shall have and exercise all functions relating to securities and the "Blue Sky Law" heretofore vested in the Department of Banking and Securities, as set forth in Chapter seventeen (17), Acts of the General Assembly of 1932 and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 7. *Division of insurance.* The division of insurance headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all functions heretofore vested in the Department of Insurance under Article XV, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 8. *Division of professional regulation.* The division of professional regulation, headed by a secretary, under the supervision of the Commissioner of Business Regulation, shall have executive responsibility for the licensing of all architects, barbers and beauticians, chiropractors, dentists, embalmers, trained nurses, pharmacists, veterinary examiners and members of other professions, not including attorneys or physicians who shall continue to be licensed as now provided by law, which may by law be required to secure a professional license. The Board of Examiners and Registration of Architects, the Board of Accountancy, the Board of Barber and Beautician Examiners, the Board of Chiropractic Examiners, the State Board of Dental Examiners, the State Board of Embalmers of Kentucky, the State Board of Examiners of Trained Nurses, the Kentucky Board of Pharmacy, and the State Board of Veterinary Examiners, shall continue as separate agencies, financed as provided by law; but shall be required to clear all matters of administration, except the examination of applicants for licenses, through the division of professional regulation in a manner approved by the Commissioner of Business Regulation.

The office of the secretary of the division of professional regulation shall be financed by assessments on the professional groups named herein on an equitable basis approved by the Commissioner of Finance.

In the event any appointments to boards authorized by law, whether named in this section or not, are made from lists submitted to the Governor, the Chief Executive may reject any such list and require submission of other lists.

Article XVII. Department of Conservation

§ 1. *Functions.* The Department of Conservation shall have and exercise all administrative functions of the State, except as otherwise provided in this Act relating to: (a) the protection and conservation of wild life in the State; (b) the

operation and maintenance of parks and museums of the State, except those allocated to the department of Library and Archives; (c) the conservation and protection of the timber resources of the State; (d) the operation of public exhibitions designed to promote, develop, and conserve the natural and agricultural resources of the State; and (e) the conservation of oil and mineral resources of the State.

All such functions as listed in this section heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Conservation. Specifically, the functions transferred to and vested in the Department of Conservation, except as otherwise provided in this Act, shall include all functions of the:

State Forester
Game and Fish Commission
George Rogers Clark Memorial Commission
Jefferson Davis Memorial
My Old Kentucky Home Commission
Kentucky National Park Commission
Kentucky State Park Commission
Commissioners of the Perryville Battlefield.
State Fair, and
Department of Mines and Minerals (only those functions concerned with matters of conservation otherwise specified in this Act).

§ 2. *Organization.* The Department of Conservation shall be headed by a Commissioner of Conservation, paid an annual salary of Four Thousand Dollars ($4,000.00), and the Department shall for purposes of administration be divided into a division of game and fish, a division of parks, a division of forestry, a division of state fair, and a division of archaeology.

§ 3. *Division of game and fish.* The division of game and fish shall be headed by a director, who shall administer affairs of the division under the supervision of the Commis-

sioner of Conservation. The Governor shall appoint an advisory game and fish commission of five members, one to serve for one year, one to serve for two years, one to serve for three years, and two for four years. As their respective terms expire, the appointment of their successors shall be for four years.

The division of game and fish, under the supervision of the Commissioner of Conservation, shall have and exercise the functions heretofore assigned the game and fish commission by law.

No member shall be appointed a member of the Commission unless he shall be well informed on the subject of wild life conservation and restoration. The members of the Commission shall receive no compensation for their services, except that each commissioner shall be entitled to reimbursement for actual and necessary traveling expenses incurred by him as a member of the Commission, but in no case shall such expenses exceed Five Hundred Dollars ($500.00) annually.

§ 4. *Division of parks.* The division of parks, headed by a director, under the supervision of the Commissioner of Conservation, shall perform such functions, relating to the operation and maintenance of parks, museums, and monuments of the State as may be required by the Commissioner of Conservation, except those prescribed for the Department of Library and Archives in this Act. Specifically, all functions heretofore vested in the following agencies are transferred to and vested in the division of parks:

George Rogers Clark Memorial Commission
Jefferson Davis Memorial
My Old Kentucky Home Commission
Kentucky State Park Commission, and
Commissioners of the Perryville Battlefield.

§ 5. *Division of forestry.* The division of forestry, headed by a director, under the supervision of the Commis-

sioner of Conservation, shall have and exercise all functions relating to the protection, conservation, and maintenance of forest preserves or forest areas controlled by the State. The director of this division shall have had at least four years experience in forestry work, or equivalent experience.

§ 6. *Division of state fair.* The division of state fair, headed by a director, under the supervision of the Commission of Conservation, shall have and exercise such functions relative to the annual state fair as have heretofore been performed by the State Board of Agriculture. The division of state fair shall be responsible for the awarding of premiums, for the expenditure of money to meet indebtedness on state fair property, for the erection of necessary buildings, for the policing of the fair grounds, for the acquisition of property for fair purposes, and for such other functions as may be designated by the Commissioner of Conservation.

§ 7. *Division of archaeology.* The division of archaeology, headed by the head of the Department of Archaeology of the University of Kentucky, shall be charged with the duty of collecting, classifying, and preserving archaeological relics, materials, and places and of conducting archaeological research.

ARTICLE XVIII. DEPARTMENT OF LIBRARY AND ARCHIVES

§ 1. *Functions.* All functions hertofore vested in the Kentucky Library Commission, the Library of the Commonwealth, and the State Law Library are hereby transferred to and vested in the Department of Library and Archives. The Department of Library and Archives shall have such charge and custody of all property of the Kentucky Historical Society as may be provided by agreement between the said Department and the said Society under the terms of this Act.

§ 2. *Organization.* The Governor shall appoint a State Librarian who shall be responsible for the administration of said Department. The Librarian shall have had tech-

nical training in the field of library science and shall have had at least four years' library experience in an administrative capacity. He shall be paid an annual salary of not more than Three Thousand Dollars ($3,000.00). The Department of Library and Archives shall be composed of a library extension division, a legislative and law library, and the Kentucky Historical Society.

§ 3. *Library extension division.* The library extension division shall be headed by an assistant librarian and shall act under the direction of the State Librarian. This division shall be vested with all the functions heretofore performed by the Kentucky Library Commission and its officers. The assistant librarian, who shall have charge of this division, shall have had the same training as the Librarian and shall have had two years of library experience.

§ 4. *Legislative and law library.* The legislative and law library shall be headed by an assistant librarian who shall act under the direction of the State Librarian. This assistant librarian shall be in charge of all functions now performed by the Library of the Commonwealth of Kentucky and the Law Library, except as herein otherwise provided, together with such library materials as may be made available through the Kentucky Historical Society under the arrangements provided in this Act. The assistant librarian in charge of the Law Library shall be a graduate of an accredited law school.

§ 5. *The Kentucky Historical Society.* The Kentucky Historical Society, heretofore incorporated under the laws of this State, shall be continued as heretofore established. It is hereby declared a condition precedent to paying over to such Society of any public moneys of the State that all books, archives, documents, library and historical exhibits, and other library properties, whether or not enumerated herein, be made available to the Department of Library and Archives for cataloging and maintenance as a part of the collection of said Department under such agreement as to joint maintenance and

use of the library materials of the Society and as to the appointment of the expense of maintenance as shall be agreed upon and approved by the Governor. In no case shall a warrant be drawn in favor of such Society except on certification of the State Librarian that the conditions prescribed in this Act have been complied with.

ARTICLE XIX. AUDITOR OF PUBLIC ACCOUNTS

§ 1. *Functions.* The Auditor of Public Accounts shall be elected as provided by the Constitution. His powers and duties shall continue as heretofore provided by law until the expiration of the term of the Auditor of Public Accounts in office when this Act is passed, except as provided in this Act. Thereafter, the Auditor of Public Accounts shall constitute an agency independent of the administrative departments as provided in this Act with powers and duties as hereafter prescribed.

It is hereby declared to be the policy of the General Assembly to provide for the independent auditing of the accounts and financial transactions of all spending agencies of the State through a disinterested auditor, who is entirely independent of the State administration whose affairs he is called upon to audit.

Each Auditor of Public Accounts hereafter elected shall have power and it shall be his duty; (a) to audit annually or at such times as may be deemed expedient, the accounts of all officers, departments, institutions, boards, commissions, and other agencies of the State government, including the general accounts of the State; (b) to make a complete audit and verification of all moneys handled for the account of the State government by all local officials, who are or hereafter may be charged with the collection of fees or moneys for or on behalf of the State, provided that this requirement shall be permissive rather than mandatory, except that when such an audit is demanded in writing by the Legislative Council, the Com-

missioner of Finance or the Governor, it shall be mandatory; (c) to investigate the means of accounting for, controlling, and insuring the safe custody of all property of the State, and to verify the existence and condition of such property charged to, or held in the custody of, any officer or any department, board, commission, institution, or other agency of the State government; (d) to audit the statements of financial conditions and operations of the State government, to examine the estimates of resources available for appropriation and the estimates of receipts prepared for inclusion in each biennial budget report, and to certify in writing the results of such audit and examination with such comments as he may deem necessary for the information and guidance of the General Assembly; and his certificate and comments shall be included with such statements and estimates as presented in the budget reports; (e) if at any time he should discover any unauthorized, illegal, or otherwise irregular or unsafe handling or expenditure of State funds, or other improper practice of financial administration, or evidence that any such handling, expenditure, or practice is contemplated, or if, during the conduct of any audit or investigation of any agency of the State government, he or his authorized agents are obstructed in the performance of his duties, forthwith to lay the facts in writing before the Governor, each member of the Legislative Council, and the Commissioner of Finance; (f) to assist the Legislative Council at hearings and investigations conducted by such Council and to cooperate with the Council in the preparation of its reports to the General Assembly; and (g) to keep accounts showing the costs of his own operations and of each separate audit and investigation made by him, and such accounts as he may deem necessary to provide a record of warrants of the State outstanding as of the end of each calendar month.

All functions heretofore vested in the State Inspector and Examiner in relation to the auditing of the accounts and

operations of state officers and agencies, effective the first Monday in January, 1940, are hereby transferred to, and vested in, the Auditor of Public Accounts.

After the first Monday in January, 1940, the Auditor of Public Accounts shall not have any administrative powers or duties except as specified in this Act. He shall not be responsible for the keeping of any accounts of the State, except accounts relative to his own operations and records of outstanding warrants as herein provided, for the collection of any money due the State, or for the handling or custody of any State funds or other property otherwise than in the process of counting and verifying the amounts of such funds or other property in the course of the audits herein provided for.

§ 2. *Audit reports.* Immediately upon completion of each audit and investigation, the Auditor of Public Accounts shall prepare a report of his findings and recommendations and furnish one copy thereof to the head of the department or other agency to which the report pertains, one copy to the Governor, one copy to the Commissioner of Finance, and one copy to each member of the Legislative Council He shall prepare and transmit to each member of the General Assembly not later than December fifteenth immediately preceding the convening of each regular session of the General Assembly, a printed report on his activities, summarizing the findings and recommendations made in his report on each audit or investigation made since the last preceding biennial report to the General Assembly, and presenting such other findings and recommendations as he may see fit to make, and shall file a copy of such report with the Governor, five copies with the State Librarian, and five copies with the Librarian of the University of Kentucky.

§ 3. *Access to books and records.* The Auditor of Public Accounts shall have access to, and authority to examine any and all books, accounts, reports, vouchers, correspondence files, and other records, and money or other property,

of any agency of the State government; and it shall be the duty of any officer or employee of any such agency having such records or property in his possession or under his control to permit access to, and examination of, them upon the request of the Auditor or any agent authorized by him to make such request. Any officer or person who shall fail or refuse to permit such access and examination or who shall in any way interfere with such examination shall be guilty of a misdemeanor, and upon conviction therefor shall be fined not less than One Hundred Dollars ($100.00) or be imprisoned in the county jail for not less than one month and not more than twelve months, or be punished by both such fine and imprisonment, and each refusal of an officer shall constitute a separate offense.

§ 4. *Appointment of Assistant Auditor of Public Accounts.* To assist him in the performance of the duties conferred and imposed in this Act, the Auditor of Public Accounts shall appoint one assistant auditor of public accounts, who shall be a certified public accountant and who shall have direct supervision over all technical work and technical assistants. The salary of such assistant auditor shall be fixed by the Auditor of Public Accounts, but in no case shall it exceed Thirty-Five Hundred Dollars ($3,500.00) per annum. Such other assistants as may be authorized by law for the actual conduct of audits shall be persons qualified by at least two years of practical experience in the practice of auditing; provided, that one year of formal training in auditing in an accredited college or University may be substituted for one of the required years of experience.

Article XX. Legislative Council

§ 1. *Functions.* There is hereby created a Legislative Council of fifteen members, whose duty it shall be: (a) to collect information concerning the government and general welfare of the State, examine the effects of previously enacted statutes and recommend amendments thereto, deal with im-

portant issues of public policy and questions of state-wide interest, and prepare a legislative program in the form of bills or otherwise, as in its opinion the welfare of the State may require, to be presented at the next session of the General Assembly; (b) to receive and consider, after the first Monday in January, 1940, the reports of the Auditor of Public Accounts and to report to the respective houses thereon, for the purpose of perfecting the contract of the General Assembly with the administration through the Auditor of Public Accounts and in order to insure that the Auditor's reports shall receive the attention they merit; and (c) to encourage and arrange conferences with officials of other states and of other units of government; carry forward the participation of this state as a member of the Council of State Governments, both regionally and nationally and formulate proposals for cooperation between this state and other states.

§ 2. *Organization.* The Legislative Council shall consist of five senators, five representatives, and five administrative officials of the state government. The five senators shall be appointed by the Lieutenant Governor, the five representatives by the Speaker of the House of Representatives, before the close of the present extraordinary session of the General Assembly and during each regular session thereafter, such appointments to be approved by a majority vote of the respective Houses; and the five state officials shall be named by the Governor of the Commonwealth. The Governor shall be an honorary member of the Council. The Lieutenant Governor shall be *ex-officio* member and chairman, and the Speaker of the House of Representatives shall be *ex-officio* member and vice-chairman. The party representation on the Council shall be in proportion generally to the relative number of members of the different political parties in each house of the General Assembly, but in no event shall the majority party in either house be represented by more than three-fifths of the members of said Council from either house.

The Council shall meet as often as may be necessary to perform its duties, not exceeding twenty days in any one calendar year; provided that in any event it shall meet at least once in each quarter. Members of the Council shall be compensated for the time spent in attendance at sessions of the Council at the rate of Ten Dollars ($10.00) per day and for actual expenses incurred while attending said session.

§ 3. *Authority to obtain information.* In the discharge of any duty herein imposed, the Council shall have the authority to administer oaths, issue subpoenas, compel the attendance of witnesses and the production of any papers, books, accounts, documents, and testimony, and to cause the deposition of witnesses, either residing within or without the State, to be taken in the manner prescribed by law for taking depositions in civil actions in the circuit courts. In case of failure on the part of any person to comply with any subpoena issued in behalf of the Council, or on the refusal of any witness to testify to any matters regarding which he may be lawfully interrogated, it shall be the duty of the circuit court of any county, on application of the Council, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued for such court or a refusal to testify therein. Each witness who appears before the Legislative Council by its order, other than a state officer or employee, shall receive for his attendance the fees and mileage provided for witnesses in civil cases in courts of record, which shall be audited and paid upon the presentation of proper vouchers sworn to by such witness and approved by the chairman of the Council.

Each officer, board, commission or department of State government, or any local government, shall make such studies for the Council as it may require and as can be made within the limits of its appropriation.

The Council may employ a research director and such assistants and engage the services of such research agencies

as it may deem desirable and its appropriation permits, in the preparation of a program of legislation or in regard to any matters of state-wide public importance within the jurisdiction of the legislative branch.

§ 4. *Voluntary submission of information to the Council.* The Governor shall have the right to send messages to any session of the Council containing his recommendations and explaining the policy of the administration.

Any member of the General Assembly shall have the right to attend any of the sessions of the Council, and may present his views on any subject which the Council may at any particular time be considering; but he shall not have the right to participate in any decision which the Council may make.

§ 5. *Reports.* The Council shall keep complete minutes of its meetings and shall make periodic reports to all members of the General Assembly, and keep said members fully informed of all matters which may come before the Council, the actions taken thereon, and the progress made in relation thereto.

The recommendations of the Council shall be completed and made public, preferably thirty days prior to any session of the General Assembly at which time such recommendations shall be mailed to the postoffice address of each member of the General Assembly. At the same time a copy shall be filed with the Governor and with each elective State officer, and five copies shall be filed with the State Librarian and five with the Librarian of the University of Kentucky.

ARTICLE XXI. BOARD OF ELECTION COMMISSIONERS

§ 1. The Board of Election Commissioners shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXII. RAILROAD COMMISSION

§ 1. The Railroad Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXIII. STATE RACING COMMISSION

§ 1. The State Racing Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act. The Secretary of the State Racing Commission shall be appointed by the Governor for a term not to exceed four years and he shall receive an annual salary of Twelve Hundred Dollars ($1,200.00). Said salary shall be paid in the manner now provided in Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition. So much of Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition, as is inconsistent with this Act is hereby repealed.

ARTICLE XXIV. PUBLIC SERVICE COMMISSION

§ 1. The Public Service Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act; provided, however, that the Chairman shall serve as head of the Department of Business Regulation.

ARTICLE XXV. THE GOVERNOR'S CABINET.

§ 1. *The Governor's Cabinet.* The heads of the administrative departments as enumerated in Article II, section one (1) of this Act, together shall constitute the Governor's Cabinet, which shall meet not less often than once a month at such times and places as it may provide by rule and at other times and places upon the call of the Governor. The Governor's Cabinet shall consider such matters involving general administrative policies and procedure, relations between depart-

ments and other agencies, and desirable measures of cooperation between departments and other agencies, as the Governor or any member may place before it, and shall advise and consult with the Governor at his request on all matters affecting the welfare of the State and relating to the several departments and other agencies. The Governor shall be the chairman of his Cabinet. For the purposes of this Act, the Cabinet shall be deemed to be attached to the office of the Governor and not to constitute a separate department or agency of the State.

The deliberative functions of the Executive Cabinet provided by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The administration of all functions heretofore vested in the State Planning Board, as set out in Chapter twenty-nine (29) of the Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The Governor's private secretary shall serve as secretary of the Governor's Cabinet and shall be paid Three Tousand Dollars ($3,000.00) annually for such services in addition to his salary as private secretary to the Governor.

Article XXVI. General Provisions

§ 1. *Transfer of functions.* Whenever functions heretofore vested in, or exercised by, any agency are, by this Act, transferred in whole or in part to and vested in a department or other agency created or continued by this Act, the department or other agency in which such functions are vested hereby shall be the successor in every way with respect to such functions, to the agency in which such functions heretofore have been vested, and to every act done in the exercise of such functions by, or under the authority of, the department or other agency from which such functions are hereby transferred. Whenever any such former agency is referred

to, or designated in, by law contract, or document, such reference or designation shall be deemed to refer to the department or other agency in which the functions of such agency so referred to or designated, or such functions as are involved in such reference or designation, are vested by the terms of this Act.

§ 2. *Transfer of records and equipment.* Upon the taking effect of any transfer of functions provided by this Act, all books, papers, records, property, and pending business theretofore made, used, acquired, or conducted by any previously existing agency in the exercise of functions hereby transferred to any agency created or continued by this Act, shall be transferred to, and vested in, the agency succeeding to such functions.

§ 3. *Transfer of officers and employees.* All officers and employees whose functions are transferred hereby from an existing agency and vested in a different agency, created or continued by the terms of this Act, shall be transferred, with their functions, to the department in which their functions, or the major part thereof, are hereby vested, and shall so far as practicable continue to perform their usual duties until the expiration of their respective terms for which they were appointed or elected; but the head of each department with the approval of the Commissioner of Finance, shall have power to abolish unnecessary offices and positions, to transfer officers and employees between positions, and to change the duties, titles, and compensation of existing offices and positions, subject to any other provision of law in relation thereto.

§ 4. *Transfer of appropriations.* Whenever functions heretofore vested in any agency are transferred by the terms of this Act and vested in a different agency, the balance of appropriations to the credit of the agency from which such functions are transferred, available for expenditure in the exercise of such functions, shall be transferred to the credit of the agency to which such functions are hereby transferred and

shall be made available under the provisions of this Act for expenditure by such agency in the exercise of such functions in accordance with law. Where two or more functions provided for by existing appropriations not segrated to the purposes represented by such functions are divided hereby between two or more agencies, the division of such appropriations shall be determined by the Commissioner of Finance with the approval of the Governor.

§ 5. *Heads of departments.* The heads of departments provided herein shall have direction and control of their respective departments and, subject to the provisions of this Act, shall through such departments exercise such powers and perform such duties as are vested by this Act in the several departments under their direction and control and in any agencies thereof. Except as otherwise expressly provided by law or in this Act, the heads of departments shall be appointed by the Governor for terms not to exceed four years on the basis of their merit and fitness to perform the duties and exercise the responsibilities of their respective offices, and shall serve at the pleasure of the Governor. Heads of constitutional administrative departments and of independent agencies, enumerated in Article II, shall be paid the salaries now provided by law, except as otherwise provided in this Act. Heads of statutory administrative departments, except as otherwise provided in this Act, shall be paid annual salaries of Five Thousand Dollars ($5,000.00) each.

§ 6. *Deputy heads of departments.* In each statutory administrative department not provided with a deputy commissioner or general assistant to the head of the department under some other appropriate title, the head of the department, or the Governor, may authorize the head of a division in the absence or disability of the head of the department, or in case of a vacancy, to act as head of such department until such absence or disability is terminated or such vacancy is filled.

§ 7. *Division of departments.* The work of each department shall be distributed among the boards, commissions, divisions, and institutions provided by this Act or hereafter established by law. On recommendation of the head of a department concurred in by the Commissioner of Finance, the Governor in writing may authorize the head of any statutory department to establish an additional division, or divisions, divide or combine existing divisions, change the name of a division, or divisions, or transfer functions and staff from one division to another within his department. The Commissioner of Finance, with prior approval of the Governor in writing, may authorize any department head to create, combine, or divide subordinate units within a division or institution, or otherwise to alter the internal organization of a division or institution. The deputy heads in statutory administrative departments, and the heads of divisions in such departments shall be appointed by the heads of the respective departments with prior approval of the Governor in writing, except as otherwise provided in this Act; and each division head shall report to the head of the department notwithstanding previous statutory requirements. Division heads in statutory administrative departments shall be paid annual salaries fixed by the respective department heads with prior approval of the Governor in writing at not more than Forty-Five Hundred Dollars ($4,500.00); provided, that in no case shall a division head's salary be more than that of the head of his department less Five Hundred Dollars ($500.00).

§ 8. *Department staffs.* The heads of statutory departments, with the approval of the Department of Finance, may establish such subordinate positions as may be necessary and make appointments thereto, within the limitations of appropriations provided and subject to the other provisions of this Act, and removals therefrom. All appointees to such positions shall be under the supervision, direction and control of the heads of the respective departments and shall perform

such duties as such officers shall prescribe. The deputy heads of departments and the directors of divisions and institutions, as provided in this Act, as well as all other employees not otherwise provided for in this Act shall be appointed by the heads of the departments.

§ 9. *Appointments to Boards and Commissions.* Except as otherwise expressly provided in this Act, the members of each board or commission provided by this Act shall be citizens of the State appointed by the Governor, from the state-at-large on the basis of their interests in public affairs, their good judgment, and their knowledge and ability in the field of action of the department for which appointed, with a view to providing diversity of interests and points of view in the membership and without regard to their political or religious opinions or affiliations. Notwithstanding any existing statutory provision, any member of a board or commission shall be eligible to hold any appointive office or to become a candidate for any elective office immediately upon his retirement from said board or commission; provided, however, no member may become a candidate for any public office while serving on any board or commission. Before entering upon the duties of office, all members of such boards and commissions provided for by this Act shall take an oath of office as prescribed for officers of the State.

§ 10. *Administrative rules.* The Governor with the approval of his Cabinet, may prescribe such general rules for the conduct of the administrative departments as he may deem necessary or expedient to give effect to the provisions of this Act. The head of each department may likewise prescribe such rules as he may deem necessary or expedient for the proper conduct of the work of the department and for making effective the provisions of law, and not inconsistent therewith or with the general rules prescribed by the Governor.

§ 11. *Cooperation between departments.* It shall be the duty of any administrative department or other agency, subject to such rules as may be prescribed by the Commissioner of Finance pursuant to this Act, to furnish to any other administrative department or other agency such services, labor, and materials, as may be requisitioned by the head of such other department or other agency, and as its own facilities provide, through the same procedure and subject to the same measures of audit and control as other proposed expense, the expense to be billed and charged to the departments and other agencies served, by transfers between appropriations. The departments and other agencies shall, so far as practicable, cooperate with each other in the use of services, quarters, and equipment.

§ 12. *Determination of conflicts between departments.* In all cases where questions arise between departments or other agencies, or officers or boards thereof, as to their respective functions, or where departments or other agencies issue conflicting orders or make conflicting rules, the Governor, with the advice of the Governor's cabinet shall determine the questions, and action shall be taken in accordance with such determination.

§ 13. *Reports.* The Governor shall prepare and submit to the General Assembly annual reports of the finances and operations of the State and such other reports as the General Assembly may prescribe or as the Governor may desire. The head of each statutory administrative department shall make to the Governor an annual report and may at any time be required by the Governor to make any special report concerning the work under his charge, with his observations and recommendations thereon and pertinent statistics concerning the work of the department, each of which the Governor shall transmit to the General Assembly with such comments as he may desire to make. All such annual reports shall observe

the fiscal year of the State as the reporting year, and shall be published to the extent ordered in writing by the Governor.

§ 14. *Public records.* Except as otherwise prescribed by law, all papers, books, and other records of any matters required by law, or any rule hereunder, to be kept, and all records arising from the exercise of functions authorized or directed thereby, shall be deemed to be public records and shall be open to inspection by any interested person under such reasonable rules as may be established hereunder. A certified copy of any public record, subject to any such rules in effect, shall be furnished by the custodian thereof, to any person requesting it, upon the payment of such reasonable fee therefor as may be prescribed by law or by rule of the department. Any public record, or copy duly certified by the custodian thereof, shall be *prima facie* evidence of its contents in all proceedings.

§ 15. *Oaths.* The head of each administrative department and any representative authorized by him to conduct any inquiry, hearing, or investigation in the course of the conduct of the work of the department, shall have authority to administer oaths and to examine witnesses under oath relative to any matter properly made a subject to such inquiry, hearing, or investigation.

§ 16. *Agencies abolished.* The offices and other agencies of the State hereinafter named in this section are hereby abolished:

State Athletic Board of Control
Budget Commission
Kentucky Crippled Children's Commission
George Rogers Clark Memorial Commission
Board of Trustees of Kentucky Confederate Home
Board of Trustees of Jefferson Davis Memorial
State Live Stock Sanitary Board of Kentucky
My Old Kentucky Home Commission
Kentucky National Park Commission

Armory Commission of Kentucky
Commissioners of the Perryville Battlefield
Kentucky Progress Commission
Board of Visitors for Kentucky School for the Blind
Board of Commissioners for the Kentucky School for the Deaf
State Planning Board
State Inspector and Examiner
Department of Mines and Minerals
Department of Banks and Securities
State Highway Commission
Board of Welfare, and
The Executive Cabinet provided in Chapter One Hundred and Fifty-Five (155), Acts of the General Assembly of 1934.

§ 17. *Inconsistent laws repealed.* It is the purpose of this Act to provide a unified, integrated, and comprehensive plan of organization of the executive and administrative department of the government of the Commonwealth, for the exercise of all executive and administrative functions of the State. After this Act is in full effect, no such functions shall be exercised by any agency otherwise than as provided in this Act. All laws and parts of laws in conflict herewith, including, except as otherwise provided in this Act, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934 are hereby repealed to the extent of such conflict.

§ 18. *Reference to functions.* Wherever a general or special reference is made to a function, or functions, in a section, or sections, of the Kentucky Statutes, Carroll's 1930 Edition, or in an act, or acts, of the General Assembly, for the purpose of vesting such function, or functions, in a department, board, commission, or other agency of government provided for in this Act, the reference shall be made a part hereof, as much so as if copied in this Act in full.

§ 19. *Constitutionality.* If any part or portion or the application of such parts or portions, of this Act shall be held unconstitutional or invalid for any reason, the remainder of the Act shall remain in full force and effect.

§ 20. *Emergency.* The disorganized state of the affairs of the Commonwealth creates an emergency, and this Act shall become a law when approved by the Governor; provided, however, that the existing organization of the State government may be maintained intact to the extent required by executive order of the Governor until such time (not in any event later than July 1, 1936) as the reorganization required hereby can be effected.

Ordered that said bill be printed and referred to Committee on Kentucky Statutes No. 1.

Mr. Silvers moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

TUESDAY, FEBRUARY 25, 1936.

The House was opened with prayer by the Reverend Olaf Anderson of the Presbyterian Church, South, of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	Ollie J. Bowen	J. A. Coleman
C W. Anderson, Jr.	Wallace Brown	Roy Conway
H. T. Baker	Dr. R. A. Byers	Herbert Cook
W. T. Baker	Jas. C. Carter	Harry Davis
G. M. Ballard	V. O. Chandler	Sam Dever
B. F. Bedford	Floyd Clark	Stanley S. Dickson
Reuben J. Boling	Roscoe Claxon	Howard G. Early
Douglas Bolling	George S. Clay	Garland Embry

Walter R. Fannin	T. B. McConnell	John C. Robinson
Chas. P. Farnsley	J. L. McDermott	W. T. Rollo
T. P. Fitzpatrick	Lloyd MacDonald	A. W. Ross
H. Myer Garner	W. F. McGary	Carl Scheben
James Garnett, Jr.	Elmer McGlothen	Ray O. Shehan
G. W. Garrett	D. T. Matlack	Dr. B. F. Shields
Ben Grogan	Duke Mayfield	P. L. Sidebottom
C. L. Hammons	W. H. Miller	Chester D. Silvers
W. L. Hampton, Jr.	John B. Mollett	H. C. Steely
Thomas W. Hines	Tyler Munford	Henry Stewart
Price Holbrook	Rodes K. Myers	Dr. H. S. Swope
Clyde S. Howard	J. C. Nickell	W. R. Tapp
John M. Hunnicut	Russell O'Neill	J. J. Thomas
Ben W. Johnson	Mel Petry	R. Van Bever, Jr.
J. H. Jones	A. W. Pfeiffer	S. J. Wagner
O. C. Jones	J. C. Ramey	Joseph L. Wall
R. T. Kirkman	Hobart Rayburn	Henry Ward
J. F. Ladd	Harry C. Records	L. R. Wells
Leslie Larrimore	L. K. Rice	W. G. Williams
Robert E. Lee	Wade H. Riley	Charles Wylie
M. T. McCarthy	Joe E. Robinson	

Mr. Hammons moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Mr. Hammons moved that when the House adjourn today, it adjourn to meet again on tomorrow at one o'clock P. M.

Said motion was agreed to.

The Speaker announced that the membership of the Standing Committees of this House be the same as the Standing Committees of this House for the Regular Session, 1936.

Dr. Shields moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

WEDNESDAY, FEBRUARY 26, 1936.

The House was opened with prayer by the Reverend R. B. Kelly of the Church of the Nazerene, of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen
C. W. Anderson, Jr.
H. T. Baker
W. T. Baker
G. M. Ballard
B. F. Bedford
Reuben J. Boling
Douglas Bolling
Wallace Brown
Dr. R. A. Byers
Jas. C. Carter
V. O. Chandler
Floyd Clark
Roscoe Claxon
George S. Clay
J. A. Coleman
Roy Conway
Herbert Cook
Harry Davis
Sam Dever
Howard G. Early
Garland Embry
Clarence E. Evans
Walter R. Fannin
Chas. P. Farnsley
T. P. Fitzpatrick
H. Myer Garner
James Garnett, Jr.
G. W. Garrett
Ferd A. Gnau
Eugene Gough
Ben Grogan
C. L. Hammons
W. L. Hampton, Jr.
Thomas W. Hines
Price Holbrook
Clyde S. Howard
Ira W. Hulette
John M. Hunnicut
Ben W. Johnson
J. H. Jones
O. C. Jones
R. T. Kirkman
J. F. Ladd
Leslie Larrimore
Robert E. Lee
T. B. McConnell
Lloyd MacDonald
W. F. McGary
Elmer McGlothen
D. T. Matlack
Duke Mayfield
W. H. Miller
John B. Mollett
W. E. Mull
Tyler Munford
Rodes K. Myers
J. C. Nickell
Russell O'Neill
Mel Petry
A. W. Pfeiffer
J. C. Ramey
Hobart Rayburn
L. K. Rice
Wade H. Riley
Joe E. Robinson
John C. Robinson
W. T. Rollo
A. W. Ross
Carl Scheben
Carl Schneider
Ray O. Shehan
Dr. B. F. Shields
P. L. Sidebottom
Chester D. Silvers
H. C. Steely
Henry Stewart
W. R. Tapp
J. J. Thomas
R. Van Bever, Jr.
S. J. Wagner
Joseph L. Wall
Henry Ward
L. R. Wells
W. G. Williams
Charles Wylie

Mr. Davis moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Dr. Shields moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

THURSDAY, FEBRUARY 27, 1936.

The House was opened with prayer by the Reverend Olaf Anderson of the Presbyterian Church, South, of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	Herbert Cook	Clyde S. Howard
Henry H. Allen	Harry Davis	Ira W. Hulette
H. T. Baker	Sam Dever	John M. Hunnicut
W. T. Baker	Stanley S. Dickson	Ben W. Johnson
G. M. Ballard	George W. Dunlap	J. H. Jones
B. F. Bedford	Howard G. Early	O. C. Jones
Reuben J. Boling	Garland Embry	R. T. Kirkman
Douglas Bolling	Walter R. Fannin	J. F. Ladd
Ollie J. Bowen	Chas. P. Farnsley	Robert E. Lee
Wallace Brown	James Garnett, Jr.	M. T. McCarthy
Jas. C. Carter	G. W. Garrett	T. B. McConnell
V. O. Chandler	Eugene Gough	Lloyd MacDonald
Floyd Clark	Ben Grogan	W. F. McGary
Roscoe Claxon	C. L. Hammons	Elmer McGlothen
George S. Clay	W. L. Hampton, Jr.	C. S. Matherly
J. A. Coleman	Thomas W. Hines	D. T. Matlack
Roy Conway	Price Holbrook	Duke Mayfield

G. S. Milam	Hobart Rayburn	H. C. Steely
W. H. Miller	L. K. Rice	Henry Stewart
John B. Mollett	Wade H. Riley	Dr. H. S. Swope
W. E. Mull	Joe E. Robinson	J. J. Thomas
Tyler Munford	John C. Robinson	R. Van Bever, Jr.
Rodes K. Myers	W. T. Rollo	Joseph L. Wall
J. C. Nickell	Carl Scheben	Henry Ward
Russell O'Neill	Carl Schneider	L. R. Wells
Mel Petry	Ray O. Shehan	W. G. Williams
A. W. Pfeiffer	P. L. Sidebottom	Charles Wylie
J. C. Ramey	Chester D. Silvers	

Mr. Davis moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Mr. Wells moved that the privilege of the floor be extended to Mr. and Mrs. T. L. Hatchett.

Said motion was agreed to.

The Clerk read before the House the following invitation, viz.:

Hon. John Kirtley, Speaker,
Kentucky House of Representatives.

Honorable Thomas M. Logan, President of the Young Democratic Clubs of the State of Kentucky, announces that there will be a Big Rally of Young Democrats held at Ashland, Kentucky, next Saturday night, with a dinner meeting and dance combined. This meeting is sponsored by the State Organization in honor of the Seventh and Eighth Districts.

There will be a number of prominent speakers appearing on the program.

Every one is invited to attend this meeting in Ashland. The Committee, especially invites the members of the Ken-

tucky House of Representatives, their wives, and friends to attend this meeting, which will launch the drive to renominate the elect Franklin D. Roosevelt next November.

Remember the time. Saturday evening, at 6:00 o'clock.

Dr. Shields moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

FRIDAY, FEBRUARY 28, 1936.

The House was opened with prayer by the Reverend Olaf Anderson of the Presbyterian Church, South, of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

Henry H. Allen	Stanley S. Dickson	Ira W. Hulette
C. W. Anderson, Jr.	George W. Dunlap	John M. Hunnicut
H. T. Baker	Howard G. Early	Ben W. Johnson
W. T. Baker	Walter R. Fannin	J. H. Jones
G. M. Ballard	Chas. P. Farnsley	O. C. Jones
B. F. Bedford	T. P. Fitzpatrick	R. T. Kirkman
Reuben J. Boling	H. Myer Garner	J. F. Ladd
Douglas Bolling	James Garnett, Jr.	Robert E. Lee
Ollie J. Bowen	G. W. Garrett	M. T. McCarthy
Wallace Brown	Eugene Gough	T. B. McConnell
Jas. C. Carter	Ben Grogan	Lloyd MacDonald
Floyd Clark	Jas. T. Hamilton	W. F. McGary
Roscoe Claxon	C. L. Hammons	Elmer McGlothen
George S. Clay	W. L. Hampton, Jr.	D. T. Matlack
J. A. Coleman	Thomas W. Hines	Duke Mayfield
Roy Conway	Price Holbrook	G. S. Milam
Herbert Cook	Clyde S. Howard	W. H. Miller

John B. Mollett
Tyler Munford
Rodes K. Myers
J. C. Nickell
Russell O'Neill
Mel Petry
A. W. Pfeiffer
J. C. Ramey
Hobart Rayburn
L. K. Rice
Wade H. Riley
Joe E. Robinson
John C. Robinson
Carl Scheben
Carl Schneider
Ray O. Shehan
Dr. B. F. Shields
P. L. Sidebottom
Chester D. Silvers
Bruce Sloan
H. C. Steely
Henry Stewart
W. R. Tapp
J. J. Thomas
R. Van Bever, Jr.
S. J. Wagner
Joseph L. Wall
Henry Ward
L. R. Wells
W. G. Williams
Charles Wylie

Mr. Hammons moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Mr. Dunlap moved that the House do now consider the State of the Commonwealth as if in Committee of the Whole House.

Said motion was agreed to.

Mr. Dickson moved that the House do now adjourn, to meet again on Monday, March 2, at one o'clock P. M.

Said motion was agreed to.

And then the House adjourned.

MONDAY, MARCH 2, 1936.

The House was opened with prayer by the Reverend Father O'Dwyer of the Roman Catholic Church of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	Eugene Gough	Mel Petry
Henry H. Allen	Ben Grogan	A. W. Pfeiffer
C. W. Anderson, Jr.	Jas. T. Hamilton	J. C. Ramey
W. T. Baker	C. L. Hammons	Hobart Rayburn
G. M. Ballard	W. L. Hampton, Jr.	Harry C. Records
B. F. Bedford	Price Holbrook	Wade H. Riley
Reuben J. Boling	Clyde S. Howard	Joe E. Robinson
Douglas Bolling	Ira W. Hulette	John C. Robinson
Ollie J. Bowen	John M. Hunnicut	W. T. Rollo
Wallace Brown	Ben W. Johnson	A. W. Ross
Dr. R. A. Byers	J. H. Jones	Carl Scheben
Jas. C. Carter	O. C. Jones	Carl Schneider
V. O. Chandler	R. T. Kirkman	Ray O. Shehan
Floyd Clark	J. F. Ladd	Dr. B. F. Shields
Roscoe Claxon	Robert E. Lee	P. L. Sidebottom
George S. Clay	M. T. McCarthy	Chester D. Silvers
J. A. Coleman	T. B. McConnell	Bruce Sloan
Roy Conway	J. L. McDermott	H. C. Steely
Herbert Cook	Lloyd MacDonald	Henry Stewart
Sam Dever	W. F. McGary	Dr. H. S. Swope
Stanley S. Dickson	Elmer McGlothen	W. R. Tapp
George W. Dunlap	C. S. Matherly	J. J. Thomas
Howard G. Early	D. T. Matlack	R. Van Bever, Jr.
Garland Embry	Duke Mayfield	S. J. Wagner
Clarence E. Evans	G. S. Milam	Joseph L. Wall
Walter R. Fannin	W. H. Miller	Henry Ward
T. P. Fitzpatrick	John B. Mollett	L. R. Wells
H. Myer Garner	W. E. Mull	W. G. Williams
James Garnett, Jr.	Tyler Munford	Charles Wylie
G. W. Garrett	J. C. Nickell	
Ferd A. Gnau	Russell O'Neill	

Mr. Hammons moved that the reading of the Journal of Friday's proceedings be dispensed with.

Said motion was agreed to.

Dr. Shields moved that the session of today be extended indefinitely.

Said motion was agreed to.

Mr. McGary moved that the privilege of the floor be extended to Dr. R. C. Burrow.

Said motion was agreed to.

Dr. Shields moved that the House do now recess until the hour of three o'clock P. M.

Said motion was agreed to.

And then the House recessed.

The hour of three o'clock P. M. having arrived, the Speaker resumed the Chair and called the House to order.

Mr. Milam moved that the House do now resolve itself into a Committee of the Whole House on the State of the Commonwealth.

Said motion was agreed to.

Thereupon the Speaker vacated the Chair and designated Dr. Shields as Chairman of the Committee of the Whole House.

After a time Mr. Kirtley moved that the Committee of the Whole House do now arise.

Thereupon the Speaker resumed the Chair and Dr. Shields of the Committee of the Whole House reported that the Committee of the Whole House had arisen.

Dr. Shields moved that the Rules of this House be suspended for the purpose of allowing Standing Committees to report.

Said motion was agreed to.

Thereupon Mr. Dunlap of the Committee on Kentucky Statutes No. 1, to which the same had been referred, reported a bill of the following title, viz.:

H. B. 1. An Act to reorganize and simplify the departments of the State Government for the purpose of providing for better service and economy; providing for the departments and independent agencies therein specified; redistributing the powers and duties of the existing agencies therein specified; redistricting the powers and duties of the existing officers, departments, boards, commissions, institutions, and other agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; transferring others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for their coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications, for and methods of removal from offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist.

With Committee amendments thereto.

With the expression of opinion that said bill ought to pass.

Said bill was read at length the first time and ordered to be placed on the Calendar.

Mr. Matlack moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

TUESDAY, MARCH 3, 1936.

The House was opened with prayer by the Reverend Garland Embry of the county of Grayson.

The roll was called and the following members answered to their names, viz.:

F. T. Allen
Henry H. Allen
C. W. Anderson, Jr.
H. T. Baker
W. T. Baker
G. M. Ballard
B. F. Bedford
Reuben J. Boling
Douglas Bolling
Ollie J. Bowen
Wallace Brown
Dr. R. A. Byers
Jas. C. Carter
V. O. Chandler
Floyd Clark
Roscoe Claxon
George S. Clay
J. A. Coleman
Roy Conway
Herbert Cook
Harry Davis
Sam Dever
Stanley S. Dickson
George W. Dunlap
Howard G. Early
Garland Embry
Walter R. Fannin
Chas. P. Farnsley
T. P. Fitzpatrick
H. Myer Garner
James Garnett, Jr.
G. W. Garrett
Eugene Gough
Ben Grogan
Jas. T. Hamilton
C. L. Hammons
W. L. Hampton, Jr.
Thomas W. Hines
Price Holbrook
Clyde S. Howard
Ira W. Hulette
John M. Hunnicut
Ben W. Johnson
J. H. Jones
O. C. Jones
R. T. Kirkman
J. F. Ladd
Leslie Larrimore
Robert E. Lee
M. T. McCarthy
T. B. McConnell
J. L. McDermott
Lloyd MacDonald
W. F. McGary
Elmer McGlothen
John Marshall
C. S. Matherly
D. T. Matlack
Duke Mayfield
G. S. Milam
W. H. Miller
John B. Mollett
W. E. Mull
Tyler Munford
Rodes K. Myers
J. C. Nickell
Russell O'Neill
Mel Petry
A. W. Pfeiffer
J. C. Ramey
Hobart Rayburn
Harry C. Records
Wade H. Riley
Joe E. Robinson
John C. Robinson
W. T. Rollo
A. W. Ross
Carl Scheben
Carl Schneider
Ray O. Shehan
Dr. B. F. Shields
P. L. Sidebottom
Chester D. Silvers
Bruce Sloan
H. C. Steely
Henry Stewart
Dr. H. S. Swope
W. R. Tapp
J. J. Thomas
R. Van Bever, Jr.
S. J. Wagner
Joseph L. Wall
Henry Ward
L. R. Wells
W. G. Williams
Charles Wylie
John Kirtley, Spkr.

Dr. Shields moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Dr. Shields moved that the session of today be extended indefinitely.

Said motion was agreed to.

Dr. Shields moved that the Rules of this House be suspended and that the House proceed to the consideration of the Orders of the Day.

Said motion was agreed to.

Thereupon the House took up for consideration from the Calendar, a bill entitled:

H. B. 1. An Act to reorganize and simplify the departments of the State government for the purpose of providing for better service and economy; providing for the departments and independent agencies therein specified; redistributing the powers and duties of the existing officers, departments, boards, commissions, institutions, and other agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; transferring others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for their coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications for, and methods of removal from, offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist.

Ordered that said bill be read the second time.

The Constitutional provision as to the second reading of said bill at length being dispensed with, said bill was read the second time by its title only.

Ordered that said bill be placed in the Orders of the Day.

Dr. Shields moved that the Rules of this House be suspended and that members of the Sub-committee of the Reorganization Commission be invited to discuss said bill section by section and that the members of the House be allowed to question the members of the said sub-committee of the Reorganization Commission.

Said motion was agreed to.

Thereupon Messrs. J. Dan Talbott and James W. Cammack, representing the Sub-committee of the Reorganization Commission, appeared upon the floor of the House of Representatives and taking their places at the Clerk's desk, discussed with members of the House, the provisions of said bill.

Mr. Rayburn moved that the House do now recess until one o'clock P. M.

Said motion was agreed to.

And then the House recessed.

The hour of one o'clock P. M. having arrived, the Speaker resumed the Chair and called the House to order.

The House resumed the discussion of the Reorganization Act, section by section with the aforesaid members of the sub-committee of the Reorganization Commission.

Mr. Silvers moved that the House do now adjourn out of respect to the memory of the Honorable Edmund F. Trabue of Louisville, Kentucky.

Said motion was agreed to.

And then the House adjourned.

WEDNESDAY, MARCH 4, 1936.

The House was opened with prayer by the Reverend Hampton Adams of the First Christian Church of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen
Henry H. Allen
C. W. Anderson, Jr.
H. T. Baker
W. T. Baker
G. M. Ballard
B. F. Bedford
Reuben J. Boling
Douglas Bolling
Ollie J. Bowen
Wallace Brown
Dr. R. A. Byers
Jas. C. Carter
V. O. Chandler
Floyd Clark
Roscoe Claxon
George S. Clay
J. A. Coleman
Roy Conway
Herbert Cook
Harry Davis
Sam Dever
Stanley S. Dickson
George W. Dunlap
Howard G. Early
Garland Embry
Walter R. Fannin
Chas. P. Farnsley
T. P. Fitzpatrick
H. Myer Garner
James Garnett, Jr.
G. W. Garrett
Ferd A. Gnau
Eugene Gough
Ben Grogan
Jas. T. Hamilton
C. L. Hammons
W. L. Hampton, Jr.
Thomas W. Hines
Price Holbrook
Clyde S. Howard
Ira W. Hulette
John M. Hunnicut
Ben W. Johnson
J. H. Jones
O. C. Jones
R. T. Kirkman
J. F. Ladd
Leslie Larrimore
Robert E. Lee
M. T. McCarthy
T. B. McConnell
J. L. McDermott
Lloyd MacDonald
W. F. McGary
Elmer McGlothen
John Marshall
C. S. Matherly
D. T. Matlack
Duke Mayfield
G. S. Milam
W. H. Miller
John B. Mollett
W. E. Mull
Tyler Munford
Rodes K. Myers
J. C. Nickell
Russell O'Neill
Mel Petry
A. W. Pfeiffer
J. C. Ramey
Hobart Rayburn
Harry C. Records
Wade H. Riley
Joe E. Robinson
John C. Robinson
W. T. Rollo
A. W. Ross
Carl Scheben
Carl Schneider
Ray O. Shehan
Dr. B. F. Shields
P. L. Sidebottom
Chester D. Silvers
Bruce Sloan
H. C. Steely
Henry Stewart
Dr. H. S. Swope
W. R. Tapp
J. J. Thomas
R. Van Bever, Jr.
S. J. Wagner
Joseph L. Wall
Henry Ward
L. R. Wells
Charles Wylie

Mr. Davis moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Dr. Shields moved that the session of today be extended indefinitely.

Said motion was agreed to.

Dr. Shields moved that the House do now recess until eleven o'clock A. M.

Said motion was agreed to.

The hour of twelve-thirty o'clock P. M. having arrived, the Speaker resumed the Chair and called the House to order.

Dr. Shields moved that the House do now recess until the hour of two o'clock P. M.

Said motion was agreed to.

And then the House recessed.

Afternoon Session

The hour of two o'clock P. M. having arrived, the Speaker resumed the Chair and called the House to order.

Mr. Myers moved that the House do now take up for consideration from the Orders of the Day, a bill entitled:

H. B. 1. An Act to reorganize and simplify the departments of the State government for the purpose of providing for better service and economy; providing for the depart-

ments and independent agencies therein specified; redistributing the powers and duties of the existing officers, departments, boards, commissions, institutions, and other agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; transferring others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for their coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications for, and methods of removal from, offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist.

Said motion was agreed to.

Thereupon the House took up for consideration said bill.

Said bill is as follows, viz.:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I. SHORT TITLE AND DEFINITIONS

§ 1. *Short title.* This Act shall be known as the "Governmental Reorganization Act."

§ 2. *Definitions of terms.* In this Act, except where the context requires otherwise, the words and expressions defined in this section shall be held to have the meanings here given to them.

"Administrative department" means any executive or administrative agency of the State named in this Act as an administrative department; but does not mean any legislative or judicial agency.

"Agency" means any State officer, department, board, commission, institution, division, or other person or func-

tional group heretofore existing or hereby created, that is authorized to exercise, or that does exercise, any executive or administrative function of government of the State.

"Constitution" means the Constitution of the Commonwealth of Kentucky.

"Division" means a major branch of an administrative department established hereunder, or by administrative action under authority hereof for the convenient performance of functions committed to a department of this Act.

"Employee" means the lawful incumbent of a position as defined or authorized in this Act.

"Functions" means jurisdiction, powers, duties, rights, and obligations conferred or imposed by law, or exercised, performed, or discharged by legal authority and not in contravention of any provision of law.

"Independent agency" means any agency of the State government which is not a part of an administrative department, except as provided in this Act for the Public Service Commission.

"Law" means the general and special statutory law of the Commonwealth of Kentucky.

"Position" means any office or employment, or combination of them, in the State service, involving an aggregation of duties to be performed and responsibilities to be exercised by one person.

"State" means the Commonwealth of Kentucky.

"State service" means the organization of the executive and administrative departments of the State government, as defined by the Constitution, taken together and the Legislative Council provided in this Act.

Article II. Administrative Departments

§ 1. *Departments specified.* Except as otherwise provided by law, the functions of the State shall be divided, in the manner hereinafter provided, among the Governor and

the administrative departments and independent agencies heretofore and hereby created and established, as follows:

I. Constitutional Administrative Departments:

1. The Governor
2. Department of State
3. Department of Law
4. Department of the Treasury
5. Department of Agriculture, Labor and Statistics
6. Department of Education
7. Department of Military Affairs

II. Statutory Administrative Departments:

1. Department of Finance
2. Department of Revenue
3. Department of Highways
4. Department of Welfare
5. Department of Health
6. Department of Industrial Relations
7. Department of Business Regulation
8. Department of Conservation
9. Department of Library and Archives

III. Independent Agencies:

1. Auditor of Public Accounts.
2. Legislative Council
3. Board of Election Commissioners
4. Railroad Commission
5. State Racing Commission
6. Public Service Commission

ARTICLE III. THE GOVERNOR

§ 1. *The Governor.* The Governor shall continue to be the chief magistrate of the State in whom the supreme executive power of the Commonwealth shall be vested, as provided by the Constitution. He shall have and exercise all functions

delegated to him by the Constitution and statutes, except such statutory functions as in this Act repealed, and such added functions as are provided by this Act.

ARTICLE IV. DEPARTMENT OF STATE

§ 1. *Functions.* All functions heretofore vested in the Secretary of State by the Constitution and the statutes, are hereby vested in the Department of State.

§ 2. *Organization.* The head of the Department of State shall be the Secretary of State, elected as provided by the Constitution.

ARTICLE V. DEPARTMENT OF LAW

§ 1. *Functions.* All functions heretofore vested in the Attorney General by the Constitution and the statutes, are hereby vested in the Department of Law.

§ 2. *Organization.* The head of the Department of Law shall be the Attorney General, elected as provided by the Constitution.

ARTICLE VI. DEPARTMENT OF THE TREASURY

§ 1. *Functions.* The Department of the Treasury shall perform the functions and have the powers vested in the State Treasurer by the Constitution and the statutes, and assigned to it by Chapter one hundred and fifty-five (155), Article VI, Acts of the General Assembly of 1934, except as otherwise provided in this Act and such added functions as may have been conferred by law on the said Department or the State Treasurer.

§ 2. *Organization.* The Department of the Treasury shall be headed by the State Treasurer, elected as provided in the Constitution.

ARTICLE VII. DEPARTMENT OF AGRICULTURE, LABOR AND STATISTICS

§ 1. *Functions.* The Department of Agriculture, Labor and Statistics shall have and exercise all the administrative functions as now provided by law except as otherwise specified by law or in this Act, in relation to the promotion of the interest of agriculture. There shall be included in the biennial report of the Department analyses of rural labor conditions and statistics of labor conditions in rural communities of Kentucky. Except as otherwise provided in this Act, all State functions heretofore vested in the Kentucky Horticultural Society and in the Live Stock Sanitary Board of Kentucky, are hereby transferred to and vested in the State Board of Agriculture.

§ 2. *Organization.* The head of the Department of Agriculture, Labor and Statistics shall be the Commissioner of Agriculture, Labor and Statistics, elected as provided in the Constitution, who shall be Commissioner of Agriculture *ex officio.* The State Board of Agriculture as now established by law shall continue as the State Board of Agriculture, which shall have all the functions heretofore and herein vested in it, except as otherwise provided in this Act.

ARTICLE VIII. DEPARTMENT OF EDUCATION

§ 1. *Functions.* The Department of Education shall have and exercise the functions and shall be constituted as provided in Chapter sixty-five (65), Acts of the General Assembly of 1934, and elsewhere in the statutes, except as otherwise provided in this Act.

The State Board of Education shall be vested with the administrative functions of the Board of Commissioners of the Kentucky School for the Deaf and the Board of Visitors of the Kentucky School for the Blind.

The functions of the State Geologist shall be transferred to the University of Kentucky, and administered under the

supervision of the Board of Trustees of that institution. The State Geologist shall perform such duties as are now, or may hereafter, be prescribed by law.

ARTICLE IX. DEPARTMENT OF MILITARY AFFAIRS

§ 1. *Functions.* The Adjutant General shall be the executive head of the Department of Military Affairs and he shall have and exercise all the functions vested in the Adjutant General and the Department of Military Affairs by the Constitution and the statutes. The salary of the Adjutant General shall be Five Thousand Dollars ($5,000) annually. The Department of Military Affairs shall consist of the following three divisions: (a) The National Guard; (b) Veterans; and (c) Armories.

§ 2. *National Guard.* The National Guard shall be continued as heretofore established.

§ 3. *Veterans' Division.* The functions heretofore performed by the Kentucky Disabled Ex-Service Men's Board, provided by Chapter twenty-eight (28) Acts of the General Assembly of 1934, shall, beginning July 1, 1936, be continued by the veteran's division of the Department of Military Affairs. The division shall prepare in proper form, present, and prosecute the claims of disabled ex-service men and women and their dependents with the United States Veterans' Administration and other federal agencies; secure and expedite action on said claims; keep in contact with the United States Veterans' Administration so that the status of any claim may be known at any time; continue to survey the state to make certain that no disabled veteran or his dependents are neglected; and perform such other duties as the Adjutant General may direct.

The words, "veterans" and "ex-service men and women," as used in this Act, include any individual who served on active duty in the army, navy, or marine corps of the United States and who has received an honorable discharge from such service.

General administration of the work of this division shall be lodged in the Adjutant General who shall direct the work in the light of advice from the Kentucky Disabled Ex-Service Men's Board of three members. Said Board shall be composed of the Lieutenant-Governor, who shall act as chairman of the board; the State Commander of the American Legion, Department of Kentucky; and the Adjutant General, all *ex officio* members. The members of the Board shall serve without compensation, but they shall be reimbursed for necessary travel expenses incident to their official duties under this section.

This section shall not be effective after June 30, 1938.

§ 4. *Division of armories.* Except as otherwise provided in this Act, this division shall have the powers of the Armory Commission Division as constituted by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, Article XI, Section two (2)

The division shall be headed by a director, experienced in the administration of real property.

ARTICLE X. DEPARTMENT OF FINANCE

§ 1. *Functions.* The Department of Finance shall have and exercise all administrative functions of the State, except as otherwise provided in this Act in relation to:

(a) developing financial policies and plans for consideration by the Governor as the basis for his budget and recommendations to the General Assembly and preparing the detailed documents in accordance with the financial plans of the Governor for presentation to the General Assembly; (b) coordinating and supervising the fiscal affairs and fiscal procedures of the State to insure the carrying into effect of the definite financial policies and plans approved by the General Assembly; (c) accounting, including budgetary accounting, and accounting control of the incurring of obligations; (d) fiscal reporting; (e) pre-auditing of expenditures and current

auditing of receipts and receivables; (f) purchasing and storekeeping and control of property and stores; (g) administering all provisions of law of general application relating to employment and compensation of personnel; (h) keeping accounts controlling all receivables of the State; (i) maintaining and operating public buildings, except those provided for the exclusive use of any one agency; and (j) auditing the accounts of the Treasurer and Auditor of Public Accounts as required by the Constitution and, until the first Monday in January, 1940, conducting all post audits.

All such functions, as set out in this section, heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Finance.

Effective the first Monday in January, 1940, all functions of the Auditor of Public Accounts having to do with the keeping of records, the disbursement of public moneys, and other matters relating to financial administration not enumerated here, except as otherwise provided in this Act, are hereby vested in the Department of Finance, to be exercised as provided in this Act. Specifically, the functions immediately transferred to, and vested in, the Department of Finance, except as otherwise provided in this Act, shall include all functions of the

Department of Finance and Budgetary Control, and
Department of Public Property.

The functions assigned by Chapter twenty-five (25) of the Acts of the General Assembly of 1934 to the Auditor of Public Accounts and the State Budget Officer, as well as those assigned to the Department of Finance and Budgetary Control, shall hereafter be vested in and exercised by the Department of Finance. The Department of Finance shall also hereafter make the investigations heretofore required of the State Inspector and Examiner under Section 4630 Kentucky Statutes, Carroll's 1930 edition and, until the first Monday in January, 1940, shall make post audits and perform other func-

tions transferred as of the first Monday in January, 1940, by Article XIX hereof from the State Inspector and Examiner to the Auditor of Public Accounts. The functions transferred to, and vested in, the Department of Finance shall include also, except as otherwise provided in this Act, all functions of the Division of Confederate Pensions in the Military Department in relation to accounting and drawing warrants for payments, all functions of the State Inspector and Examiner in relation to the State budget, and all other functions heretofore vested in each agency mentioned in this section, and in every agency not specifically mentioned herein, in relation to the functions enumerated at the beginning of this section. All revenue collected for the Commonwealth of Kentucky shall be covered through the Department of Finance into the Department of the Treasury. All revenues and other receipts covered through the Department of Finance into the State Treasury shall be certified, prior to the first Monday in January, 1940, to the Auditor of Public Accounts, so that his record of receipts may be complete.

Every requisition for a disbursement from the State Treasury for any purpose whatsoever must be approved by the Department of Finance prior to the issuance of any warrant on the State Treasurer by the Auditor of Public Accounts or any agent or employee of his office.

Hereafter, the Department of the Treasury may stamp warrants interest-bearing only after the approval in writing by the Department of Finance; provided, that the Department of Finance may, at its discretion, give such approval in general terms.

§ 2. *Organization.* The Department of Finance shall be headed by a Commissioner of Finance and shall be divided for administrative purposes into a division of the budget, a division of accounts and control, a division of purchases and public properties, and a division of personnel efficiency. The Commissioner of Finance shall be the chief financial officer of

the State and the advisor of the Governor and the general Assembly in financial matters, and at all times shall be charged with protecting the financial interests of the state. He shall be responsible to the Governor for the administration of the Department.

§ 3. *Division of the budget.* The division of the budget, under the direction of the Commissioner of Finance, shall perform such functions relating to the preparation and administration of the State budget as may be required by the Commissioner of Finance. In general, this division shall be responsible for all matters relating to the State budget as provided in Chapter twenty-five (25), Acts of the General Assembly of 1934, Articles III, IV, V, VI, and IX, and elsewhere in the statutes. The division of the budget shall be headed by a director of the budget, who shall be a person acquainted with the methods and technique of public budgeting. Subject to prior approval of the Governor in writing the Commissioner of Finance may serve as director of the budget, or he may appoint a director of the budget, as provided in this Act, who shall serve under his supervision and direction.

§ 4. *Division of accounts and control.* The division of Accounts and Control shall perform such record-keeping functions as the Commissioner of Finance may direct. In general, the functions outlined in Article VII of Chapter twenty-five (25), Acts of the General Assembly of 1934, shall be performed by this division; but the division shall maintain such additional records and prepare such additional reports as the Commissioner may require.

The division of accounts and control shall be headed by a controller, preferably a certified public accountant, who shall have had substantial experience during the preceding four years in federal, state, or local accounting, and/or auditing.

§ 5. *Division of purchases and public properties.* The division of purchases and public properties under the direction of the Commissioner of Finance, shall purchase for the

combined requirements of all spending agencies of the State all supplies, materials, and equipment, except library books and scientific equipment, or shall control or delegate the purchase thereof. The division shall have supervision over all purchases by the various spending agencies, except as otherwise provided in this Act, and may prescribe rules to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance; and no purchase or contract shall be binding on the State or any agency thereof unless approved by the division or made under general regulations which the Department may prescribe. The division shall maintain perpetual inventories of plant and equipment. It shall have power, with the approval of the Commissioner of Finance, to transfer between departments, to salvage, to exchange, and to condemn supplies and equipment. It shall sell all property of the State determined, with the approval of the Governor, not to be needed for public use or to have become unsuitable for such use. It shall fix standards of quality and quantity, and shall develop standard specifications in consultation with the several spending agencies of the State. It shall maintain records of supplies for various classes of purchases, unit costs under contracts, trends of prices and costs, and other matters incident to performance of its functions as the Commissioner of Finance directs. It shall attempt in every practicable way to insure the State's supplying its real needs at the lowest possible cost.

The division shall operate a mail and messenger service for all agencies located at the seat of government and shall handle all postage for such agencies, so far as practicable by postage meter, and may maintain a control supply service including control storeroom for stationary and office supplies. It shall provide such duplicating and minor printing services to other agencies as can practicably and economically be rendered by means of available types of office equipment. It shall provide, so far as practicable, clerical and stenographic

services as needed for unusual work demands of other agencies at the seat of government above the normal demands that can be met by their permanent staff.

It shall be responsible for the custody, management, maintenance, improvement, and operation of all buildings and grounds owned or leased for the use of agencies of the State other than buildings and grounds maintained for the exclusive use of any one agency. It shall have authority to allocate the space in the State Capitol and any other building or buildings in its custody to the various agencies, according to their several needs and the space available, and to lease and allocate space for the housing of agencies that cannot be so accommodated when funds are made available for that purpose.

The division of purchases and public properties shall be headed by a purchasing agent, who shall have had four years of responsible experience in purchasing, or equivalent experience.

§ 6. *Division of personnel efficiency.* The division of personnel efficiency under the direction of the Commissioner of Finance, shall: (a) test and pass upon the qualifications of all applicants for appointments to and promotion in the various positions in the several departments and agencies of the State government, except as hereinafter provided; (b) establish lists for employment and re-employment from which appointments are to be made to the various positions in the State service; (c) prepare and maintain a roster of all employees in the State service; (d) ascertain the correctness and validity of all payrolls before they may be lawfully authorized for payment; (e) ascertain and record all duties, responsibilities, and authority pertaining to the various positions in the State service, and to classify such positions in the manner hereinafter provided; (f) make studies of the rates being paid for each class of positions for similar or comparable services elsewhere and other information and data pertaining to proper rates of compensation, and to prepare a

schedule of compensation for each class of positions with a minimum salary rate, a maximum salary rate, and such intermediate salary rates as may be deemed necessary and equitable; (g) devise, install, and administer service rating systems and training courses for employees insofar as may be practicable; (h) arrange for and pass upon transfers and regulate annual sick and special leaves of absence, hours of work, lay-offs, and removals, in accordance with the provisions of this Act; (i) transfer, temporarily, employees from one department to another when necessary to expedite the work of any department; (j) certify to each department, institution, or agency such clerical and other employees as the department may deem necessary for efficient service; (k) make investigations pertaining to personnel, salary scales, and employment conditions in the State service; and (l) prepare, adopt, and administer such rules and regulations as may be required to carry out the provisions of this section.

The division shall determine the qualifications of applicants for positions in the State service by tests, in connection with which appropriate credit is allowed for experience in the public service or in private employment of comparable character. Such tests may be written, oral or physical, or in the form of a demonstration of skill, or any combination of these, and shall be of such character as fairly to determine the qualifications, fitness, and ability of the persons tested actually to perform the duties of the class of positions in which they seek appointment. Such tests shall be competitive, free, and open to all persons who may be lawfully appointed to any position in the class for which they are held with such limitations as to age, residence, health, habits, character, and sex as the division considers desirable and specifies in the public announcement of the test. For positions involving unskilled and semi-skilled labor or work, or involving domestic, attending, or other housekeeping or cus-

todial services at institutions where the character of the work, the relatively low rate of compensation, or the place of work, makes it impractical to secure at stated times a sufficient number of applicants to supply the needs of the service, the division may. provide by regulation for a procedure which permits the testing of applicants, singly or in groups, at stated places in counties or cities, for such labor or work, and at institutions or elsewhere for domestic, attending, housekeeping, or custodial service at any time on due notice of such tests, but without public announcement.

Heads of departments and divisions herein explicitly provided, private secretaries of heads of such departments and divisions, members of State boards or commissions, the judges and clerks of courts and the employees thereof, employees of the House and Senate, directing heads of the university, colleges, and other State schools and all professors, teachers and staffs in these institutions shall be exempt from the test required in this section. All other appointive offices and employees of the State service entering State employment after September 1, 1936, shall be required to pass required tests before they shall be eligible for appointment, provided that the division of personnel efficiency may authorize the filling of a position at once by a provisional appointment, not renewable, for not more than four months; and provided further, that he may also authorize temporary appointments, with or without tests, and not subject to renewal, for a period not exceeding three months.

The division of personnel efficiency, as soon as practicable after this Act takes effect, shall ascertain the duties and responsibilities of all positions in the State service and prepare and adopt a classification plan, together with the rules for its administration. Such classification plan shall show for each class of positions: the title given to each class; a statement of duties and responsibilities of those holding positions in each class; the minimum and desirable qualifica-

tions required of each incumbent; the natural and probable lines of promotion to and from the class; and the appropriate salary ranges showing minimum, maximum and intermediate rates for each class.

In establishing any employment list following tests for entrance into State service, the division of personnel efficiency shall place on the list in the order of the earned ratings on the complete tests, the names of persons who show they possess the qualifications which render them eligible to appointment when a vacancy in any position allocated to the class occurs. Except as provided herein, all appointments, including promotions, made by the executive or appointing officers of departments, institutions and agencies of the State government shall be from employment lists furnished or approved by the division. Said division shall provide by rule for the consolidation, continuation, and cancellation of employment lists and for the removal of names therefrom for good cause.

The division shall prepare and maintain a roster of State employees, showing for each employee his name, postoffice address, title of position held, rate of compensation, and change in status, including increases or decreases in pay, changes in title, transfers, sick and annual leave, and any other pertinent facts not enumerated here. In order that this roster may be kept current, the appointing officer of each department, institution, or agency, shall notify the division immediately of changes in the status of any subordinate officer or employee with respect either to position or salary—whether or not the position is exempt from the requirements of this section.

The division shall check or cause to be checked, all payrolls, or supply to another designated division the proper data for checking such payrolls. Before compensation may be lawfully paid to State officials or employees, the Department of Finance shall have authority to demand supporting information sufficient to ascertain that the persons whose

names appear on the payrolls have been legally employed in the performance of the duties indicated at the compensation rates and for the periods for which pay is claimed.

The appointing officer of each department, institution, or agency of the State government shall have the authority to remove any subordinate officer or employee under his jurisdiction from the position which said officer or employee may hold, and the executive or appointing officer shall forthwith notify the division of his action. If the subordinate officer or employee so removed shall request it in writing, the officer making the removal shall file with the division a statement setting forth the reasons for such removal, and this statement shall be open to public inspection. In all such cases, however, the action of the officer making the removal, so long as he shall act within his authority, shall be final.

No person holding a position as subordinate officer or employee in the State service shall directly or indirectly use, or seek to use, his authority, or official influence, to control or modify the political action of any other person, or during the hours of duty engage in any form of political activity, or at any other time take such part in political activities or political campaigns as to affect or impair his usefulness in the position in which he is employed.

The division of personnel efficiency shall be headed by a director, chosen on the basis of training, experience and qualifications for the position, who shall have had at least four years experience in personnel management or equivalent experience and shall preferably have had specialized training in personnel administration.

Article XI. Department of Revenue

§ 1. *Functions.* The functions heretofore performed by the Department of Revenue and Taxation, except as otherwise provided in this Act, are hereby vested in the Department of Revenue. All other tax administration functions

heretofore performed by other agencies of the State, including all functions of revenue agents, which agents are hereby abolished, shall hereafter be performed by the Department of Revenue, either directly or through supervision by that department of tax administration activity in other departments to which the Department may commit administration of certain taxes; provided, that in no instance shall the Auditor of Public Accounts continue to administer any taxes, or supervise the local administration thereof, or receive directly from local officials revenues collected in the several counties. All such taxes shall hereafter be administered, supervised, and/or received by the Department of Revenue and covered through the Department of Finance into the Department of the Treasury.

The functions of the State Inspector and Examiner having to do with investigation, examination, and supervision of accounts and operation of local government and local government officers aside from post auditing are hereby transferred to, and vested in the Department of Revenue.

§ 2. *Organization.* The Department of Revenue shall be headed by a Commissioner of Revenue, who shall be the executive officer and shall have sole charge of the administration of the Department.

The Governor shall appoint two associate commissioners, who with the Commissioner of Revenue shall constitute the Kentucky Tax Commission. The first term of office of one of these commissioners shall expire June 30, 1937, and the first term of the other shall expire June 30, 1938. Thereafter, the term of office of each associate commissioner shall be four years. Each associate commissioner shall head a division of the Department of Revenue as directed by the Commissioner of Revenue, and shall be paid Four Thousand Dollars ($4,000.00) annually for his services.

The Department of Revenue shall be divided for administrative convenience into the division of general taxation,

the division of motor vehicles, the divison of local finance, and the division of research and statistics.

§ 3. *Kentucky Tax Commission.* The functions of the Kentucky Tax Commission shall be exclusively (a) to make assessments required to be made heretofore by the State Tax Commission or assigned in this Act to the Department of Revenue; (b) to hear appeals and to review assessments authorized by law to be made by the Department of Revenue; and (c) to promulgate such rules and regulations as are required by law or as the Commission deems necessary to facilitate enforcement of the laws of the Commonwealth subject to administration by the Department of Revenue. All other functions in this Act or hereafter assigned to the Department of Revenue or to the Kentucky Tax Commission shall be performed by the Commissioner of Revenue, as executive and administrative head of the Department and chairman of the Commission.

§ 4. *The division of general taxation.* The division of general taxation shall perform such functions relating to the administration of the tax laws of Kentucky as may be required by the Commissioner of Revenue. In general, this division shall be responsible for administering tax laws heretofore handled through the general offices of the Department of Revenue and Taxation.

The division of general taxation shall be headed by a director of taxation, who shall be a person having had four years of responsible administrative or investigational experience in the field of taxation. The Commissioner of Revenue, if meeting these qualifications, with prior approval of the Governor in writing may serve as director of taxation; or he may appoint a director, as provided in this Act.

§ 5. *Division of motor vehicles.* The division of motor vehicles, under the direction of the Commissioner of Revenue, shall be charged with the registration of all motor vehicles. If directed by the Commissioner of Revenue, this division

shall also administer the gasoline tax heretofore administered through the general offices of the Department of Revenue and Taxation.

The division of motor vehicles shall be headed by a director, who shall be a person having had at least four years of responsible administrative experience.

§ 6. *Division of local finance.* The division of local finance, under the direction of the Commissioner of Revenue, shall exercise all functions in relation to investigation, examination, and supervision of the accounts and operation of local governments and local government officers aside from post auditing heretofore vested in the State Inspector and Examiner.

The division of local finance shall be headed by a director, preferably a certified public accountant, who shall be acquainted with the administration of local finances and who shall have had four years of responsible experience in government administration and/or investigation.

§ 7. *Division of research and statistics.* The division of research and statistics, under the direction of the Commissioner of Revenue, shall be charged with the compilation and analysis (or supervision thereof) of statistical information relative to taxation and finance in the State and each of its political subdivisions. It shall be the duty of this division to make such investigations into matters of taxation in Kentucky or elsewhere as may from time to time be required by the Commissioner of Revenue and to submit reports on the results of its studies in the form prescribed by the Commissioner.

The division of research and statistics shall be headed by a director, who shall have had four years of experience in research work, at least three years of which shall have been in the field of taxation and other branches of public finance.

ARTICLE XII. DEPARTMENT OF HIGHWAYS

§ 1. *Functions.* The Department of Highways shall have and exercise all the functions heretofore held and exercised by the State Highway Commission of Kentucky, except as otherwise provided in this Act.

§ 2. *Organization.* The Department of Highways shall be headed by a Commissioner of Highways, who shall have sole charge of the administraion of the Department. With prior approval by the Governor in writing, the Commissioner of Highways shall appoint as State Highway Engineer, a civil engineer having had at least four years executive engineering experience after receiving his C. E. degree from an accredited university or college. The State Highway Engineer shall be paid an annual salary of Five Thousand Dollars ($5,000.00). He shall be the technical advisor to the Commissioner of Highways, and under the direction of said Commissioner, he shall supervise all construction and maintenance work of the Department and he shall perform such other duties as are assigned to him by the Commissioner. In the absence or disability of the Commissioner, the State Highway Engineer shall act for the Commissioner.

The Department shall be divided for administrative convenience into a division of construction, a division of records, a division of equipment, a divison of maintenance, and a division of highway patrol, which division shall be responsible for the enforcement of the highway laws of the Commonwealth and for such other functions as the Governor may direct in writing. Each division shall perform such duties as may be assigned it by the Commissioner of Highways and shall be headed by a director who shall act under the direction and supervision of the Commissioner of Highways.

§ 3. *State Highway Commission.* There is hereby also created a State Highway Commission which shall serve in an advisory capacity to the Commissioner of Highways. The

Commissioner of Highways shall serve as *ex officio* chairman of the State Highway Commission.

In addition to the Commissioner of Highways *ex officio* chairman, the Commission shall be composed of nine members appointed by the Governor for four-year terms. One commissioner shall be appointed from each congressional district. Each commissioner shall be paid an annual salary of Three Thousand Dollars ($3,000.00) and in addition shall be allowed his actual and necessary traveling expenses for the attendance at regular and call meetings of the whole Commission. The State Highway Commission shall hold at least quarterly meetings at the seat of government and shall hold such other meetings at the seat of government or at a place designated by the Commissioner of Highways as may be called by the Commissioner of Highways.

The nine members of the State Highway Commission appointed from congressional districts shall be known as Advisory Commissioners and it shall be their duty to ascertain the condition of the state highways in their respective districts and the highway needs of said districts and to acquaint the Commissioner of Highways from time to time as to such conditions and needs. They shall also advise the Commissioner of Highways relative to the personnel needs and the personnel efficiency of the state highway forces in their respective districts. It shall be their further duty to advise the Commissioner of Highways as to the most practical and feasible plans for the maintenance of county highways in the several counties of their respective districts, when such counties indicate their desire for the State Highway Department to aid in the maintenance of such county roads. The nine advisory commissioners, individually and when acting as a group, shall have no administrative authority or responsibility in the operation of the Department of Highways.

ARTICLE XIII. DEPARTMENT OF WELFARE

§ 1. *Functions.* The Department of Welfare shall have and exercise all administrative functions of the State except as otherwise provided in this Act in relation to: (a) the management and control of penal and eleemosynary institutions; (b) the administration and supervision of all forms of public assistance, including general home relief, outdoor and indoor care for persons in need, old age assistance, aid to dependent children, aid to the blind and otherwise handicapped; the supervision of agencies and institutions caring for dependent, mentally or physically handicapped, or aged adults; approval of the incorporation of charitable agencies and such welfare activities or services; (c) the administration and supervision of all child welfare activities, except those vested in the Department of Health; licensing and supervision of private and local public child care agencies and institutions; the care of dependent, neglected, and delinquent children in homes or in institutions, especially children placed for adoption or those of illegitimate birth; the control of State institutions for children and the supervision of juvenile probation; (d) the administration and supervision of all mental hygiene work, including the operation of all State institutions for the care of the mentally ill or feeble-minded persons and provisions for their non-institutional care; (e) the provision of welfare service to county governments, including the organization and supervision of county welfare departments for the effective administration of welfare functions and the compilation of statistics and necessary information relative to public welfare problems throughout the State; (f) provisions of assistance to other departments, agencies, and institutions of the State and federal governments, when so requested by performing services in conformity with the purposes of this Article; (g) acting as the agent of the federal government in welfare matters of mutual concern and in the administration of any federal funds granted to the State to aid in the per-

formance of any function of this Department; (h) operating a laboratory of criminal identification and statistics; and (i) under rules and regulations prescribed by this Department, the designation of county departments to serve as agents in the performance of State welfare activities in the county.

The administration of all functions heretofore vested (a) in the Kentucky Crippled Children's Commission; (b) the Kentucky Children's Home Society; (c) the Kentucky Home Society for Colored Children; (d) the Home for Incurables; (e) the Hospital of the Red Cross Association (Colored); and (f) the Trustees of the Kentucky Confederate Home are hereby transferred to and vested in the Department of Welfare.

§ 2. *Organization.* The Department of Welfare shall be headed by a Commissioner of Welfare, advised by a Board of Welfare, and shall be divided for administrative purposes into a division of public assistance; a division of child welfare; a division of mental hygiene; a division of correction; and a laboratory of criminal identification and statistics. The Commissioner of Welfare shall be the executive head of the Department, and shall have sole charge of the administration of the Department, and shall serve as chairman *ex officio* of the Board of Welfare.

The advisory Board of Welfare shall be composed of five eminent Kentuckians appointed by the Governor. The terms of one member shall expire December 31, 1936; one, December 31, 1937; two, December 31, 1938, and one, December 31, 1939. Thereafter, each member shall serve for four years and until his successor is appointed and qualified. The members of the Board shall be allowed a per diem of Ten Dollars ($10.00) per day and expenses for each day they are on official duty.

§ 3. *Division of public assistance.* This division, under the direction of the Commissioner of Welfare, shall (a) super-

vise the administration of assistance to the needy aged as provided by law; (b) make rules and regulations and take such action as may be necessary and desirable to carry out the provisions of the laws relative to old age pensions and assistance; (c) prescribe the form of and print and supply to the proper authority, blanks for application; affidavits, reports and other forms as it may deem necessary; (d) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act and approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid or assistance to the needy aged and in conformity with the provisions of this Act; and (e) prepare an annual report at the close of each fiscal year, showing for such year the total amount paid, the total number of persons assisted and such other particulars as it may deem advisable. The director of this division shall be a person thoroughly trained and experienced in welfare work.

§ 4. *Division of child welfare.* The division of child welfare, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of assistance to dependent children by local welfare departments; (b) prescribe the form of, and print and supply to the county department, blanks for reports, affidavits, and such other forms as it may deem necessary and advisable; and (c) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid to dependent children in conformity with the provisions of that Act. The director of this division shall be a person thoroughly trained and experienced in child welfare work.

§ 5. *Division of mental hygiene.* The division of mental hygiene, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of the State institutions for the insane at Lakeland, Lexington, and Hopkinsville; (b) supervise the administration of the Kentucky

Feeble-Minded Institute at Frankfort; (c) provide the proper medical attention for the inmates of these institutions and such treatment as will tend toward the improvement of their mental condition; and (d) provide for the employment of the employable inmates of these institutions on such work as will contribute to the improvement of the mental and physical condition of the inmates and the maintenance of the institution. The director of this division shall be a person thoroughly trained and experienced in mental hygiene work.

§ 6. *Division of corrections.* The division of corrections, under the direction of the Commissioner of Welfare, shall (a) supervise and administer the State Reformatory at Frankfort, the State Penitentiary at Eddyville, and the Houses of Reform at Greendale; (b) supervise the employment of prisoners either within or without the walls or enclosures of these institutions; and (c) provide, by such scientific methods as may be appropriate, for the reformation of persons incarcerated in the State penal and correctional institutions, including probation and parole. The director of this division shall be a person thoroughly trained and experienced in penology and prison management.

§ 7. *Laboratory of criminal identification and statistics.* There shall be established, equipped, and maintained a laboratory of criminal identification for the purpose of receiving and filing fingerprints, photographs, and other records pertaining to the investigation of crime and the apprehension of criminals. The laboratory shall be operated by a superintendent under the direction of a Commissioner of Welfare.

The laboratory shall cooperate with the State, county and city law enforcing agencies and with the identification agencies of other states and of the United States, in order to develop and carry on an interstate and national system of criminal identification. Persons in charge of any penal or correctional institution in the State and State law-enforce-

ment officers, sheriffs, deputy sheriffs, constables, and all peace officers of the State operating such identification facilities, shall cooperate in providing the laboratory of criminal identification with fingerprints and descriptions of all persons lawfully committed to their custody or detained by them, in cases where fingerprints and descriptions are taken together with a report of the disposition of all cases of such persons. The superintendent of the laboratory of criminal identification and statistics shall have had succeessful experience in the field of criminology.

ARTICLE XIV. DEPARTMENT OF HEALTH

§ 1. *Functions.* The Department of Health shall have and exercise all the administrative functions of the State in relation to public health, sanitation, food and drug control, and the prevention and control of communicable diseases, except as otherwise provided by the statutes. The Department of Health shall be constituted and shall perform the functions provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

§ 2. *Organization.* The organization of the Department of Health shall be that provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

ARTICLE XV. DEPARTMENT OF INDUSTRIAL RELATIONS

§ 1. *Functions.* The Department of Industrial Relations shall have and exercise all administrative functions of the State concerned with employer-employee relationships, heretofore provided by law, including specifically (a) the functions relating to employer-employee relationships and the safety of workers heretofore assigned to the Chief Inspector of Mines and to deputy inspectors; (b) the Department of Mines and Minerals; (c) the Workmen's Compensation

Board; (d) the Kentucky Employment Service provided by Chapter thirty-one (31), Acts of the General Assembly of 1932; (e) the director of unemployment compensation; and (f), effective the first Monday in January, 1940, the Chief Labor Inspector and his deputy inspectors. In general, the Department of Industrial Relations shall be charged with the reduction of health and accident hazards in industry, the accumulation and publication of industrial statistics, the promotion of friendly relationships between employers and employees, and the development of better living conditions for the latter. The Department is authorized to perform such functions conducive with these purposes and consistent with the law of the Commonwealth as it may deem appropriate and as the General Assembly shall provide by appropriation.

§ 2. *Organization.* The Department of Industrial Relations shall be headed by a Commissioner of Industrial Relations, paid an annual salary of Four Thousand Dollars ($4,000.00), and shall be divided for administrative purposes into such divisions consistent with this Act and the functions vested by law in the Department as may be determined by the Commissioner of Industrial Relations with the approval of the Governor.

§ 3. *The Workmen's Compensation Board.* The Workmen's Compensation Board shall be continued as now established by law as a part of the Department of Industrial Relations and the members shall give full time to the work of the Board. They shall receive Four Thousand Dollars ($4,000.00) annually for their services. Under the general supervision of the Commissioner of Industrial Relations, the Workmen's Compensation Board shall continue to perform the functions heretofore vested in and exercised by said Board; provided, however, that all decisions and findings of the Board shall be certified to the Commissioner of Industrial Relations. The actual administration and the carrying out of such decisions and findings of the Board shall be performed by the Commis-

sioner of Industrial Relations, and the Commissioner of Industrial Relations shall supervise and manage all financial matters for the Board. So much of Section 4920 of the Kentucky Statutes, Carroll's 1930 edition, as is inconsistent with this section is hereby repealed.

The Workmen's Compensation Board shall prepare such rules and regulations as it may deem necessary for the carrying on of the work and not inconsistent with this Act, which rules and regulations shall be subject to the approval of the Commissioner of Industrial Relations. The Commissioner of Industrial Relations shall, upon recommendation of the Workmen's Compensation Board, establish and fill such positions, including medical services and advice, in accordance with this Act as may be deemed necessary for carrying on the Board's work, and as may be provided within the limits of appropriations, and so much of Section 4923, Kentucky Statutes, Carroll's 1930 edition, as designates positions and salaries paid, is hereby repealed.

Hereafter, where there exists in this state any plan, custom, or system whereby the employees in any industry, or the employees at any industrial plant or operation contribute to the payment of any physician or surgeon for furnishing medical or surgical treatment, by deductions from their wages through the office of the employer, the employees at any such industrial plant or operation shall have the right, by a majority vote, to name the physician or surgeon so employed. Such employees shall certify their choice to the employer where such physician or surgeon is employed or is to be employed. No physician or surgeon shall be employed and paid, by deductions from the wages of employees, except as herein provided, and the employer shall certify such appointment to the Department of Industrial Regulation for approval.

ARTICLE XVI. DEPARTMENT OF BUSINESS REGULATION

§ 1. *Functions.* The Department of Business Regulation shall have and exercise all the administrative functions

of the State except as otherwise provided in this Act in relation to (a) the supervision of motor transportation for hire; (b) the regulation of the manufacture and sale of intoxicating liquors; (c) the supervision of banks and kindred financial institutions; (d) the regulation of insurance practices; and (e) the administration of examining functions for professional and semi-professional groups, except as provided herein.

All functions heretofore vested by law in the Athletic Board of Control, the Department of Motor Transportation of the Department of Revenue and Taxation, the functions assigned by Chapter one hundred and forty-six (146), Acts of the General Assembly of 1934, to the State Tax Commiss on, the Department of Banking and Securities, the Department of Insurance, the Department of Health, insofar as are concerned with examining boards explicitly mentioned in this section are hereby transferred to and vested in the Department of Business Regulation.

§ 2. *Organization.* The Department of Business Regulation shall be headed by a Commissioner of Business Regulation who shall be the Chairman of the Public Service Commission and shall be divided for administrative purposes into a division of motor transportation, a division of alcoholic control, a division of banking, a division of securities, a division of insurance, and a division of professional standards. The heads of the divisions of said Department shall be appointed by the Governor.

§ 3. *Division of motor transportation.* The division of motor transportation, headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all the functions in relation to the regulation of motor vehicles for hire and of their operation, heretofore provided by law and assigned to the Department of Revenue and Taxation. The qualifications of the director of this division

shall include four years experience in the work of motor vehicle regulation or equivalent experience.

§ 4. *Division of alcoholic control.* The division of alcoholic control, headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with the enforcement of the Kentucky Alcoholic Control Act, Chapter one hundred forty-six (146), Acts of the General Assembly of 1934, heretofore administered by the Department of Revenue and Taxation. The director shall have had four years experience in business regulation or equivalent experience.

§ 5. *Division of banking.* The division of banking headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with all banking functions heretofore vested in the Department of Banking and Securities and enforce all laws relating to banks, trust companies, and other financial institutions heretofore performed by any other department, agency, or officer of the Commonwealth. The director of this division shall have had at least four years of successful business experience.

§ 6. *Division of securities.* The division of securities headed by a director under the supervision of the Commissioner of Business Regulation, shall have and exercise all functions relating to securities and the "Blue Sky Law" heretofore vested in the Department of Banking and Securities, as set forth in Chapter seventeen (17), Acts of the General Assembly of 1932 and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 7. *Division of insurance.* The division of insurance headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all functions heretofore vested in the Department of Insurance under Article XV, Chapter one hundred and fifty-five (155), Acts

of the General Assembly of 1934, and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 8. *Division of professional regulation.* The division of professional regulation, headed by a secretary, under the supervision of the Commissioner of Business Regulation, shall have executive responsibility for the licensing of all architects, barbers and beauticians, chiropractors, dentists, embalmers, trained nurses, pharmacists, veterinary examiners and members of other professions, not including attorneys or physicians who shall continue to be licensed as now provided by law, which may by law be required to secure a professional license. The Board of Examiners and Registration of Architects, the Board of Accountancy, the Board of Barber and Beautician Examiners, the Board of Chiropractic Examiners, the State Board of Dental Examiners, the State Board of Embalmers of Kentucky, the State Board of Examiners of Trained Nurses, the Kentucky Board of Pharmacy, and the State Board of Veterinary Examiners, shall continue as separate agencies, financed as provided by law; but shall be required to clear all matters of administration, except the examination of applicants for licenses, through the division of professional regulation in a manner approved by the Commissioner of Business Regulation.

The office of the secretary of the division of professional regulation shall be financed by assessments on the professional groups named herein on an equitable basis approved by the Commissioner of Finance.

In the event any appointments to boards authorized by law, whether named in this section or not, are made from lists submitted to the Governor, the Chief Executive may reject any such list and require submission of other lists.

ARTICLE XVII. DEPARTMENT OF CONSERVATION

§ 1. *Functions.* The Department of Conservation shall have and exercise all administrative functions of the State,

except as otherwise provided in this Act relating to: (a) the protection and conservation of wild life in the State; (b) the operation and maintenance of parks and museums of the State, except those allocated to the Department of Library and Archives; (c) the conservation and protection of the timber resources of the State; (d) the operation of public exhibitions designed to promote, develop, and conserve the natural and agricultural resources of the State; and (e) the conservation of oil and mineral resources of the State.

All such functions as listed in this section heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Conservation. Specifically, the functions transferred to and vested in the Department of Conservation, except as otherwise provided in this Act, shall include all functions of the

State Forester
Game and Fish Commission
George Rogers Clark Memorial Commission
Jefferson Davis Memorial
My Old Kentucky Home Commission
Kentucky National Park Commission
Kentucky State Park Commission
Commissioners of the Perryville Battlefield
State Fair, and
Department of Mines and Minerals (only those functions concerned with matters of conservation otherwise specified in this Act).

In addition, the Department of Conservation shall exercise all other conservation functions not specifically mentioned in this Act.

§ 2. *Organization.* The Department of Conservation shall be headed by a Commissioner of Conservation, paid an annual salary of Four Thousand Dollars ($4,000.00), and the Department shall for purposes of administration be divided

into a division of game and fish, a division of parks, a division of forestry, a division of state fair, and a division of archaeology.

§ 3. *Division of game and fish.* The division of game and fish shall be headed by a director, who shall administer affairs of the division under the supervision of the Commissioner of Conservation. The Governor shall appoint an advisory game and fish commission of five members, one to serve for one year, one to serve for two years, one to serve for three years, and two for four years. As their respective terms expire, the appointment of their successors shall be for four years.

The division of game and fish, under the supervision of the Commissioner of Conservation, shall have and exercise the functions heretofore assigned the game and fish commission by law.

No member shall be appointed a member of the Commission unless he shall be well informed on the subject of wild life conservation and restoration. The members of the Commission shall receive no compensation for their services, except that each commissioner shall be entitled to reimbursement for actual and necessary traveling expenses incurred by him as a member of the Commission, but in no case shall such expenses exceed Five Hundred Dollars ($500.00) annually.

§ 4. *Division of parks.* The division of parks, headed by a director, under the supervision of the Commissioner of Conservation, shall perform such functions, relating to the operation and maintenance of parks, museums, and monuments of the State as may be required by the Commissioner of Conservation, except those prescribed for the Department of Library and Archives in this Act. Specifically, all functions heretofore vested in the following agencies are transferred to and vested in the division of parks:

George Rogers Clark Memorial Commission
Jefferson Davis Memorial

My Old Kentucky Home Commission
Kentucky State Park Commission, and
Commissioners of the Perryville Battlefield.

§ 5. *Division of forestry.* The division of forestry, headed by a director, under the supervision of the Commissioner of Conservation, shall have and exercise all functions relating to the protection, conservation, and maintenance of forest preserves or forest areas controlled by the State. The director of this division shall have had at least four years experience in forestry work, or equivalent experience.

§ 6. *Division of state fair.* The division of state fair, headed by a director, under the supervision of the Commission of Conservation, shall have and exercise such functions relative to the annual state fair as have heretofore been performed by the State Board of Agriculture. The division of state fair shall be responsible for the awarding of premiums, for the expenditure of money to meet indebtedness on state fair property, for the erection of necessary buildings, for the policing of the fair grounds, for the acquisition of property for fair purposes, and for such other functions as may be designated by the Commissioner of Conservation.

§ 7. *Division of archaeology.* The division of archaeology, headed by the head of the Department of Archaeology of the University of Kentucky, shall be charged with the duty of collecting, classifying, and preserving archaeological relics, materials, and places and of conducting archaeological research.

ARTICLE XVIII. DEPARTMENT OF LIBRARY AND ARCHIVES

§ 1. *Functions.* All functions heretofore vested in the Kentucky Library Commission, the Library of the Commonwealth, and the State Law Library are hereby transferred to and vested in the Department of Library and Archives. The Department of Library and Archives shall have such charge

and custody of all property of the Kentucky Historical Society as may be provided by agreement between the said Department and the said Society under the terms of this Act.

§ 2. *Organization.* The Governor shall appoint a State Librarian who shall be responsible for the administration of said Department. The Librarian shall have had technical training in the field of library science and shall have had at least four years' library experience in an administrative capacity. He shall be paid an annual salary of not more than Three Thousand Dollars ($3,000.00). The Department of Library and Archives shall be composed of a library extension division, a legislative and law library, and the Kentucky Historical Society.

§ 3. *Library extension division.* The library extension division shall be headed by an assistant librarian and shall act under the direction of the State Librarian. This division shall be vested with all the functions heretofore performed by the Kentucky Library Commission and its officers. The assistant librarian, who shall have charge of this division, shall have had the same training as the Librarian and shall have had two years of library experience.

§ 4. *Legislative and law library.* The legislative and law library shall be headed by an assistant librarian who shall act under the direction of the State Librarian. This assistant librarian shall be in charge of all functions now performed by the Library of the Commonwealth of Kentucky and the Law Library, except as herein otherwise provided, together with such library materials as may be made available through the Kentucky Historical Society under the arrangements provided in this Act. The assistant librarian in charge of the Law Library shall be a graduate of an accredited law school.

§ 5. *The Kentucky Historical Society.* The Kentucky Historical Society, heretofore incorporated under the laws of this State, shall be continued as heretofore established. It

is hereby declared a condition precedent to paying over to such Society of any public moneys of the State that all books, archives, documents, library and historical exhibits, and other library properties, whether or not enumerated herein, be made available to the Department of Library and Archives for cataloging and maintenance as a part of the collection of said Department under such agreement as to joint maintenance and use of the library materials of the Society and as to the appointment of the expense of maintenance as shall be agreed upon and approved by the Governor. In no case shall a warrant be drawn in favor of such Society except on certification of the State Librarian that the conditions prescribed in this Act have been complied with.

ARTICLE XIX. AUDITOR OF PUBLIC ACCOUNTS

§ 1. *Functions.* The Auditor of Public Accounts shall be elected as provided by the Constitution. His powers and duties shall continue as heretofore provided by law until the expiration of the term of the Auditor of Public Accounts in office when this Act is passed, except as provided in this Act. Thereafter, the Auditor of Public Accounts shall constitute an agency independent of the administrative departments as provided in this Act with powers and duties as hereafter prescribed.

It is hereby declared to be the policy of the General Assembly to provide for the independent auditing of the accounts and financial transactions of all spending agencies of the State through a disinterested auditor, who is entirely independent of the State administration whose affairs he is called upon to audit.

Each Auditor of Public Accounts hereafter elected shall have power and it shall be his duty: (a) to audit annually or at such times as may be deemed expedient, the accounts of all officers, departments, institutions, boards, commissions, and other agencies of the State government, including the general accounts of the State; (b) to make a complete audit and veri-

fication of all moneys handled for the account of the State government by all local officials, who are or hereafter may be charged with the collection of fees or moneys for or on behalf of the State, provided that this requirement shall be permissive rather than mandatory, except that when such an audit is demanded in writing by the Legislative Council, the Commissioner of Finance or the Governor, it shall be mandatory; (c) to investigate the means of accounting for, controlling, and insuring the safe custody of all property of the State, and to verify the existence and condition of such property charged to, or held in the custody of, any officer or any department, board, commission, institution, or other agency of the State government; (d) to audit the statements of financial conditions and operations of the State government, to examine the estimates of resources available for appropriation and the estimates of receipts prepared for inclusion in each biennial budget report, and to certify in writing the results of such audit and examination with such comments as he may deem necessary for the information and guidance of the General Assembly; and his certificate and comments shall be included with such statements and estimates as presented in the budget reports; (e) if at any time he should discover any unauthorized, illegal, or otherwise irregular or unsafe handling or expenditure of State funds, or other improper practice of financial administration, or evidence that any such handling, expenditure, or practice is contemplated, or if, during the conduct of any audit or investigation of any agency of the State government, he or his authorized agents are obstructed in the performance of his duties, forthwith to lay the facts in writing before the Governor, each member of the Legislative Council, and the Commissioner of Finance; (f) to assist the Legislative Council at hearings and investigations conducted by such Council and to cooperate with the Council in the preparation of its reports to the General Assembly; and (g) to keep accounts showing the costs of his own operations and of

each separate audit and investigation made by him, and such accounts as he may deem necessary to provide a record of warrants of the State outstanding as of the end of each calendar month.

All functions heretofore vested in the State Inspector and Examiner in relation to the auditing of the accounts and operations of state officers and agencies, effective the first Monday in January, 1940, are hereby transferred to, and vested in, the Auditor of Public Accounts.

After the first Monday in January, 1940, the Auditor of Public Accounts shall not have any administrative powers or duties except as specified in this Act. He shall not be responsible for the keeping of any accounts of the State, except accounts relative to his own operations and records of outstanding warrants as herein provided, for the collection of any money due the State, or for the handling or custody of any State funds or other property otherwise than in the process of counting and verifying the amounts of such funds or other property in the course of the audits herein provided for.

§ 2. *Audit reports.* Immediately upon completion of each audit and investigation, the Auditor of Public Accounts shall prepare a report of his findings and recommendations and furnish one copy thereof to the head of the department or other agency to which the report pertains, one copy to the Governor, one copy to the Commissioner of Finance, and one copy to each member of the Legislative Council. He shall prepare and transmit to each member of the General Assembly not later than December fifteenth immediately preceding the convening of each regular session of the General Assembly, a printed report on his activities, summarizing the findings and recommendations made in his report on each audit or investigation made since the last preceding biennial report to the General Assembly, and presenting such other findings and recommendations as he may see fit to make, and

shall file a copy of such report with the Governor, five copies with the State Librarian, and five copies with the Librarian of the University of Kentucky.

§ 3. *Access to books and records.* The Auditor of Public Accounts shall have access to, and authority to examine any and all books, accounts, reports, vouchers, correspondence files, and other records, and money or other property, of any agency of the State government; and it shall be the duty of any officer or employee of any such agency having such records or property in his possession or under his control to permit access to, and examination of, them upon the request of the Auditor or any agent authorized by him to make such request. Any officer or person who shall fail or refuse to permit such access and examination or who shall in any way interfere with such examination shall be guilty of a misdemeanor, and upon conviction therefor shall be fined not less than One Hundred Dollars ($100.00) or be imprisoned in the county jail for not less than one month and not more than twelve months, or be punished by both such fine and imprisonment, and each refusal of an officer shall constitute a separate offense.

§ 4. *Appointment of Assistant Auditor of Public Accounts.* To assist him in the performance of the duties conferred and imposed in this Act, the Auditor of Public Accounts shall appoint one assistant auditor of public accounts, who shall be a certified public accountant and who shall have direct supervision over all technical work and technical assistants. The salary of such assistant auditor shall be fixed by the Auditor of Public Accounts, but in no case shall it exceed Thirty-Five Hundred Dollars ($3,500.00) per annum. Such other assistants as may be authorized by law for the actual conduct of audits shall be persons qualified by at least two years of practical experience in the practice of auditing;

provided, that one year of formal training in auditing in an accredited college or University may be substituted for one of the required years of experience.

ARTICLE XX. LEGISLATIVE COUNCIL

§ 1. *Functions.* There is hereby created a Legislative Council of fifteen members, whose duty it shall be: (a) to collect information concerning the government and general welfare of the State, examine the effects of previously enacted statutes and recommend amendments thereto, deal with important issues of public policy and questions of state-wide interest, and prepare a legislative program in the form of bills or otherwise, as in its opinion the welfare of the State may require, to be presented at the next session of the General Assembly; (b) to receive and consider, after the first Monday in January, 1940, the reports of the Auditor of Public Accounts and to report to the respective houses thereon, for the purpose of perfecting the contact of the General Assembly with the administration through the Auditor of Public Accounts and in order to insure that the Auditor's reports shall receive the attention they merit; and (c) to encourage and arrange conferences with officials of other states and of other units of government; carry forward the participation of this state as a member of the Council of State Governments, both regionally and nationally and formulate proposals for cooperation between this state and other states.

§ 2. *Organization.* The Legislative Council shall consist of five senators, five representatives, and five administrative officials of the state government. The five senators shall be appointed by the Lieutenant Governor, the five representatives by the Speaker of the House of Representatives, before the close of the present extraordinary session of the General Assembly and during each regular session thereafter, such appointments to be approved by a majority vote of the respective Houses; and the five state officials shall be named by the

Governor of the Commonwealth. The Governor shall be an honorary member of the Council. The Lieutenant Governor shall be *ex officio* member and chairman, and the Speaker of the House of Representatives shall be *ex officio* member and vice-chairman. The party representation on the Council shall be in proportion generally to the relative number of members of the different political parties in each house of the General Assembly, but in no event shall the majority party in either house be represented by more than three-fifths of the members of said Council from either house.

The Council shall meet as often as may be necessary to perform its duties, not exceeding twenty days in any one calendar year; provided that in any event it shall meet at least once in each quarter. Members of the Council shall be compensated for the time spent in attendance at sessions of the Council at the rate of Ten Dollars ($10.00) per day and for actual expenses incurred while attending said session.

§ 3. *Authority to obtain information.* In the discharge of any duty herein imposed, the Council shall have the authority to administer oaths, issue subpoenas, compel the attendance of witnesses and the production of any papers, books, accounts, documents, and testimony, and to cause the deposition of witnesses, either residing within or without the State, to be taken in the manner prescribed by law for taking depositions in civil actions in the circuit courts. In case of failure on the part of any person to comply with any subpoena issued in behalf of the Council, or on the refusal of any witness to testify to any matters regarding which he may be lawfully interrogated, it shall be the duty of the circuit court of any county, on application of the Council, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued for such court or a refusal to testify therein. Each witness who appears before the Legislative Council by its order, other than a state officer or employee, shall receive for his attendance the fees and mileage

provided for witnesses in civil cases in courts of record, which shall be audited and paid upon the presentation of proper vouchers sworn to by such witness and approved by the chairman of the Council.

Each officer, board, commission or department of State government, or any local government, shall make such studies for the Council as it may require and as can be made within the limits of its appropriation.

The Council may employ a research director and such assistants and engage the services of such research agencies as it may deem desirable and its appropriation permits, in the preparation of a program of legislation or in regard to any matters of state-wide public importance within the jurisdiction of the legislative branch.

§ 4. *Voluntary submission of information to the Council.* The Governor shall have the right to send messages to any session of the Council containing his recommendations and explaining the policy of the administration.

Any member of the General Assembly shall have the right to attend any of the sessions of the Council, and may present his views on any subject which the Council may at any particular time be considering; but he shall not have the right to participate in any decision which the Council may make.

§ 5. *Reports.* The Council shall keep complete minutes of its meetings and shall make periodic reports to all members of the General Assembly, and keep said members fully informed of all matters which may come before the Council, the actions taken thereon, and the progress made in relation thereto.

The recommendations of the Council shall be completed and made public, preferably thirty days prior to any session of the General Assembly at which time such recommendations shall be mailed to the postoffice address of each member of the General Assembly. At the same time a copy shall be filed

with the Governor and with each elective State officer, and five copies shall be filed with the State Librarian and five with the Librarian of the University of Kentucky.

ARTICLE XXI. BOARD OF ELECTION COMMISSIONERS

§ 1. The Board of Election Commissioners shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXII. RAILROAD COMMISSION

§ 1. The Railroad Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXIII. STATE RACING COMMISSION

§ 1. The State Racing Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act. The Secretary of the State Racing Commission shall be appointed by the Governor for a term not to exceed four years and he shall receive an annual salary of Twelve Hundred Dollars ($1,200.00). Said salary shall be paid in the manner now provided in Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition. So much of Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition, as is inconsistent with this Act is hereby repealed.

ARTICLE XXIV. PUBLIC SERVICE COMMISSION

§ 1. The Public Service Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act; provided, however, that the Chairman shall serve as head of the Department of Business Regulation.

ARTICLE XXV. THE GOVERNOR'S CABINET

§ 1. *The Governor's Cabinet.* The heads of the administrative departments as enumerated in Article II, section one (1) of this Act, together shall constitute the Governor's Cabinet, which shall meet not less often than once a month at such times and places as it may provide by rule and at other times and places upon the call of the Governor. The Governor's Cabinet shall consider such matters involving general administrative policies and procedure, relations between departments and other agencies, and desirable measures of co-operation between departments and other agencies, as the Governor or any member may place before it, and shall advise and consult with the Governor at his request on all matters affecting the welfare of the State and relating to the several departments and other agencies. The Governor shall be the chairman of his Cabinet. For the purposes of this Act, the Cabinet shall be deemed to be attached to the office of the Governor and not to constitute a separate department or agency of the State.

The deliberative functions of the Executive Cabinet provided by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The administration of all functions heretofore vested in the State Planning Board, as set out in Chapter twenty-nine (29) of the Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The Governor's private secretary shall serve as secretary of the Governor's Cabinet and shall be paid Three Thousand Dollars ($3,000.00) annually for such services in addition to his salary as private secretary to the Governor.

ARTICLE XXVI. GENERAL PROVISIONS

§ 1. *Transfer of functions.* Whenever functions heretofore vested in, or exercised by, any agency are, by this Act,

transferred in whole or in part to and vested in a department or other agency created or continued by this Act, the department or other agency in which such functions are vested hereby shall be the successor in every way with respect to such functions, to the agency in which such functions heretofore have been vested, and to every act done in the exercise of such functions by, or under the authority of, the department or other agency from which such functions are hereby transferred. Whenever any such former agency is referred to, or designated in, by law contract, or document, such reference or designation shall be deemed to refer to the department or other agency in which the functions of such agency so referred to or designated, or such functions as are involved in such reference or designation, are vested by the terms of this Act.

§ 2. *Transfer of records and equipment.* Upon the taking effect of any transfer of functions provided by this Act, all books, papers, records, property, and pending business therefore made, used, acquired, or conducted by any previously existing agency in the exercise of functions hereby transferred to any agency created or continued by this Act, shall be transferred to, and vested in, the agency succeeding to such functions.

§ 3. *Transfer of officers and employees.* All officers and employees whose functions are transferred hereby from an existing agency and vested in a different agency, created or continued by the terms of this Act, shall be transferred, with their functions, to the department in which their functions, or the major part thereof, are hereby vested, and shall so far as practicable continue to perform their usual duties until the expiration of their respective terms for which they were appointed or elected; but the head of each department with the approval of the Commissioner of Finance, shall have power to abolish unnecessary offices and positions, to transfer officers and employees between positions, and to change

the duties, titles, and compensation of existing offices and positions, subject to any other provision of law in relation thereto.

§ 4. *Transfer of appropriations.* Whenever functions heretofore vested in any agency are transferred by the terms of this Act and vested in a different agency, the balance of appropriations to the credit of the agency from which such functions are transferred, available for expenditure in the exercise of such functions, shall be transferred to the credit of the agency to which such functions are hereby transferred and shall be made available under the provisions of this Act for expenditure by such agency in the exercise of such functions in accordance with law. Where two or more functions provided for by existing appropriations not segregated to the purposes represented by such functions are divided hereby between two or more agencies, the division of such appropriations shall be determined by the Commissioner of Finance with the approval of the Governor.

§ 5. *Heads of departments.* The heads of departments provided herein shall have direction and control of their respective departments and, subject to the provisions of this Act, shall through such departments exercise such powers and perform such duties as are vested by this Act in the several departments under their direction and control and in any agencies thereof. Except as otherwise expressly provided by law or in this Act, the heads of departments shall be appointed by the Governor for terms not to exceed four years on the basis of their merit and fitness to perform the duties and exercise the responsibilities of their respective offices, and shall serve at the pleasure of the Governor. Heads of constitutional administrative departments and of independent agencies, enumerated in Article II, shall be paid the salaries now provided by law, except as otherwise provided in this Act. Heads of statutory administrative departments, except

as otherwise provided in this Act, shall be paid annual salaries of Five Thousand Dollars ($5,000.00) each.

§ 6. *Deputy Heads of departments.* In each statutory administrative department not provided with a deputy commissioner or general assistant to the head of the department under some other appropriate title, the head of the department, or the Governor, may authorize the head of a division in the absence or disability of the head of the department, or in case of a vacancy, to act as head of such department until such absence or disability is terminated or such vacancy is filled.

§ 7. *Division of departments.* The work of each department shall be distributed among the boards, commissions, divisions, and institutions provided by this Act or hereafter established by law. On recommendation of the head of a department concurred in by the Commissioner of Finance, the Governor in writing may authorize the head of any statutory department to establish an additional division, or divisions, divide or combine existing divisions, change the name of a division, or divisions, or transfer functions and staff from one division to another within his department. The Commissioner of Finance, with prior approval of the Governor in writing, may authorize any department head to create, combine, or divide subordinate units within a division or institution, or otherwise to alter the internal organization of a division or institution. The deputy heads in statutory administrative departments, and the heads of divisions in such departments shall be appointed by the heads of the respective departments with prior approval of the Governor in writing, except as otherwise provided in this Act; and each division head shall report to the head of the department notwithstanding previous statutory requirements. Division heads in statutory administrative departments shall be paid annual salaries fixed by the respective department heads with prior approval of the Governor in writing at not more than

Forty-Five Hundred Dollars ($4,500.00); provided, that in no case shall a division head's salary be more than that of the head of his department less Five Hundred Dollars ($500.00).

§ 8. *Department staffs.* The heads of statutory departments, with the approval of the Department of Finance, may establish such subordinate positions as may be necessary and make appointments thereto, within the limitations of appropriations provided and subject to the other provisions of this Act, and removals therefrom. All appointees to such positions shall be under the supervision, direction and control of the heads of the respective departments and shall perform such duties as such officers shall prescribe. The deputy heads of departments and the directors of divisions and institutions, as provided in this Act, as well as all other employees not otherwise provided for in this Act shall be appointed by the heads of the departments.

§ 9. *Appointments to Boards and Commissions.* Except as otherwise expressly provided in this Act, the members of each board or commission provided by this Act shall be citizens of the State appointed by the Governor, from the state-at-large on the basis of their interests in public affairs, their good judgment, and their knowledge and ability in the field of action of the department for which appointed, with a view to providing diversity of interests and points of view in the membership and without regard to their political or religious opinions or affiliations. Notwithstanding any existing statutory provision, any member of a board or commission shall be eligible to hold any appointive office or to become a candidate for any elective office immediately upon his retirement from said board or commission; provided, however, no member may become a candidate for any public office while serving on any board or commission. Before entering upon the

duties of office, all members of such boards and commissions provided for by this Act shall take an oath of office as prescribed for officers of the State.

§ 10. *Administrative rules.* The Governor with the approval of his Cabinet, may prescribe such general rules for the conduct of the administrative departments as he may deem necessary or expedient to give effect to the provisions of this Act. The head of each department may likewise prescribe such rules as he may deem necessary or expedient for the proper conduct of the work of the department and for making effective the provisions of law, and not inconsistent therewith or with the general rules prescribed by the Governor.

§ 11. *Cooperation between departments.* It shall be the duty of any administrative department or other agency, subject to such rules as may be prescribed by the Commissioner of Finance pursuant to this Act, to furnish to any other administrative department or other agency such services, labor, and materials, as may be requisitioned by the head of such other department or other agency, and as its own facilities provide, through the same procedure and subject to the same measures of audit and control as other proposed expense, the expense to be billed and charged to the departments and other agencies served, by transfers between appropriations. The departments and other agencies shall, so far as practicable, cooperate with each other in the use of services, quarters, and equipment.

§ 12. *Determination of conflicts between departments.* In all cases where questions arise between departments or other agencies, or officers or boards thereof, as to their respective functions, or where departments or other agencies issue conflicting orders or make conflicting rules the Governor, with the advice of the Governor's cabinet shall determine the questions, and action shall be taken in accordance with such determination.

§ 13. *Reports.* The Governor shall prepare and submit to the General Assembly annual reports of the finances and operations of the State and such other reports as the General Assembly may prescribe or as the Governor may desire. The head of each statutory administrative department shall make to the Governor an annual report and may at any time be required by the Governor to make any special report concerning the work under his charge, with his observations and recommendations thereon and pertinent statistics concerning the work of the department, each of which the Governor shall transmit to the General Assembly with such comments as he may desire to make. All such annual reports shall observe the fiscal year of the State as the reporting year, and shall be published to the extent ordered in writing by the Governor.

§ 14. *Public records.* Except as otherwise prescribed by law, all papers, books, and other records of any matters required by law, or any rule hereunder, to be kept, and all records arising from the exercise of functions authorized or directed thereby, shall be deemed to be public records and shall be open to inspection by any interested person under such reasonable rules as may be established hereunder. A certified copy of any public record, subject to any such rules in effect, shall be furnished by the custodian thereof, to any person requesting it, upon the payment of such reasonable fee therefor as may be prescribed by law or by rule of the department. Any public record, or copy duly certified by the custodian thereof, shall be *prima facie* evidence of its contents in all proceedings.

§ 15. *Oaths.* The head of each administrative department and any representative authorized by him to conduct any inquiry, hearing, or investigation in the course of the conduct of the work of the department, shall have authority to administer oaths and to examine witnesses under oath

relative to any matter properly made a subject to such inquiry, hearing, or investigation.

§ 16. *Agencies abolished.* The offices and other agencies of the State hereinafter named in this section are hereby abolished:

State Athletic Board of Control.
Budget Commission.
Kentucky Crippled Children's Commission.
George Rogers Clark Memorial Commission.
Board of Trustees of Kentucky Confederate Home.
Board of Trustees of Jefferson Davis Memorial.
State Live Stock Sanitary Board of Kentucky.
My Old Kentucky Home Commission.
Kentucky National Park Commission.
Armory Commission of Kentucky.
Commissioners of the Perryville Battlefield.
Kentucky Progress Commission.
Board of Visitors for Kentucky School for the Blind.
Board of Commissioners for the Kentucky School for the Deaf.
State Planning Board.
State Inspector and Examiner.
Department of Mines and Minerals.
Department of Banks and Securities.
State Highway Commission.
Board of Welfare, and
The Executive Cabinet provided in Chapter One Hundred and Fifty-Five (155), Acts of the General Assembly of 1934.

§ 17. *Inconsistent laws repealed.* It is the purpose of this Act to provide a unified, integrated, and comprehensive plan of organization of the executive and administrative department of the government of the Commonwealth, for the exercise of all executive and administrative functions of the State. After this Act is in full effect, no such functions shall

be exercised by any agency otherwise than as provided in this Act. All laws and parts of laws in conflict herewith, including, except as otherwise provided in this Act, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934 are hereby repealed to the extent of such conflict.

§ 18. *Reference to functions.* Wherever a general or special reference is made to a function, or functions, in a section, or sections, of the Kentucky Statutes, Carroll's 1930 Edition, or in an act, or acts, of the General Assembly, for the purpose of vesting such function, or functions, in a department, board, commission, or other agency of government provided for in this Act, the reference shall be made a part hereof, as much so as if copied in this Act in full.

§ 19. *Constitutionality.* If any part or portion or the application of such parts or portions, of this Act shall be held unconstitutional or invalid for any reason, the remainder of the Act shall remain in full force and effect.

§ 20. *Emergency.* The disorganized state of the affairs of the Commonwealth creates an emergency, and this Act shall become a law when approved by the governor; provided, however, that the existing organization of the State government may be maintained intact to the extent required by executive order of the Governor until such time (not in any event later than July 1, 1936) as the reorganization required hereby can be effected.

Mr. Myers offered the following amendment thereto by way of Substitute therefor, viz.:

H. B. 1. An Act to reorganize and simplify the departments of the State Government for the purpose of providing for better service and economy; providing for the departments and independent agencies therein specified; redistributing the powers and duties of the existing officers, departments, boards, commissions, institutions, and other

agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; transferring others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for their coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications for, and methods of removal from, offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist. This Act shall be known as Shields-Nickell Governmental Reorganization Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I. SHORT TITLE AND DEFINITIONS

§ 1. *Short title.* This Act shall be known as the "Governmental Reorganization Act."

§ 2. *Definitions of terms.* In this Act, except where the context requires otherwise, the words and expressions defined in this section shall be held to have the meanings here given to them.

"Administrative department" means any executive or administrative agency of the State named in this Act as an administrative department; but does not mean any legislative or judicial agency.

"Agency" means any State officer, department, board, commission, institution, division, or other person or functional group heretofore existing or hereby created, that is authorized to exercise, or that does exercise, any executive or administrative function of government of the State.

"Constitution" means the Constitution of the Commonwealth of Kentucky.

"Division" means a major branch of an administrative department established hereunder, or by administrative

action under authority hereof for the convenient performance of functions committed to a department by this Act.

"Employee" means the lawful incumbent of a position as defined or authorized in this Act.

"Functions" means jurisdiction, powers, duties, rights, and obligations conferred or imposed by law, or exercised, performed, or discharged by legal authority and not in contravention of any provision of law.

"Independent agency" means any agency of the State government which is not a part of an administrative department, except as provided in this Act for the Public Service Commission.

"Law" means the general and special statutory law of the Commonwealth of Kentucky.

"Position" means any office or employment, or combination of them, in the State service, involving an aggregation of duties to be performed and responsibilities to be exercised by one person.

"State" means the Commonwealth of Kentucky.

"State service" means the organization of the executive and administrative departments of the State government, as defined by the Constitution, taken together and the Legislative Council provided in this Act.

ARTICLE II. ADMINISTRATIVE DEPARTMENTS

§ 1. *Departments specified.* Except as otherwise provided by law, the functions of the State shall be divided, in the manner hereinafter provided, among the Governor and the administrative departments and independent agencies heretofore and hereby created and established, as follows:

I. Constitutional Administrative Departments:

1. The Governor.
2. Department of State.
3. Department of Law.
4. Department of the Treasury.

5. Department of Agriculture, Labor and Statistics.
6. Department of Education.
7. Department of Military Affairs.

II. Statutory Administrative Departments:

1. Department of Finace.
2. Department of Revenue.
3. Department of Highways.
4. Department of Welfare.
5. Department of Health.
6. Department of Industrial Relations.
7. Department of Business Regulation.
8. Department of Conservation.
9. Department of Library and Archives.
10. Department of Mines and Minerals.

III. Independent Agencies:

1. Auditor of Public Accounts.
2. Legislative Council.
3. Board of Election Commissioners.
4. Railroad Commission.
5. State Racing Commission.
6. Public Service Commission.

ARTICLE III. THE GOVERNOR

§ 1. *The Governor.* The Governor shall continue to be the chief magistrate of the State in whom the supreme executive power of the Commonwealth shall be vested, as provided by the Constitution. He shall have and exercise all functions delegated to him by the Constitution and statutes, except such statutory functions as are in this Act repealed, and such added functions as are provided by this Act.

ARTICLE IV. DEPARTMENT OF STATE

§ 1. *Functions.* All functions heretofore vested in the Secretary of State by the Constitution and the statutes, are hereby vested in the Department of State.

§ 2. *Organization.* The head of the Department of State shall be the Secretary of State, elected as provided by the Constitution.

ARTICLE V. DEPARTMENT OF LAW

§ 1. *Functions.* All functions heretofore vested in the Attorney General by the Constitution and the statutes, are hereby vested in the Department of Law.

§ 2. *Organization.* The head of the Department of Law shall be the Attorney General, elected as provided by the Constitution.

ARTICLE VI. DEPARTMENT OF THE TREASURY

§ 1. *Functions.* The Department of the Treasury shall perform the functions and have the powers vested in the State Treasurer by the Constitution and the statutes, and assigned to it by Chapter one hundred and fifty-five (155), Article VI, Acts of the General Assembly of 1934, except as otherwise provided in this Act and such added functions as may have been conferred by law on the said Department or the State Treasurer.

§ 2. *Organization.* The Department of the Treasury shall be headed by the State Treasurer, elected as provided in the Constitution.

ARTICLE VII. DEPARTMENT OF AGRICULTURE, LABOR AND STATISTICS

§ 1. *Functions.* The Department of Agriculture, Labor and Statistics shall have and exercise all the administrative functions as now provided by law except as otherwise specified by law or in this Act, in relation to the promotion of the interest of agriculture. There shall be included in the biennial report of the Department analyses of rural labor conditions and statistics of labor conditions in rural communities of Kentucky. Except as otherwise provided in this Act,

all State functions heretofore vested in the Live Stock Sanitary Board of Kentucky, are hereby transferred to and vested in the State Board of Agriculture, and the Commissioner of Agriculture, Labor and Statistics shall continue to receive Fifteen Hundred Dollars ($1,500.00) annually and shall be allowed his necessary traveling expenses for his services in connection with the live stock sanitary work of the State Board of Agriculture.

§ 2. *Organization.* The head of the Department of Agriculture, Labor and Statistics shall be the Commissioner of Agriculture, Labor and Statistics, elected as provided in the Constitution, who shall be Commissioner of Agriculture *ex officio.* The State Board of Agriculture as now established by law shall continue as the State Board of Agriculture, which shall have all the functions heretofore and herein vested in it, except as otherwise provided in this Act, and said board shall be vested with the management and control of the State Fair and the State Fair Grounds and nothing in this Act shall be construed to interfere with the authority of the Commissioner of Agriculture, Labor and Statistics to appoint police and guards of the State Fair Grounds under Chapter two (2) of the Acts of the General Assembly of 1934.

ARTICLE VIII. DEPARTMENT OF EDUCATION

§ 1. *Functions.* The Department of Education shall have and exercise the functions and shall be constituted as provided in Chapter sixty-five (65), Acts of the General Assembly of 1934, and elsewhere in the statutes, except as otherwise provided in this Act.

The State Board of Education shall be vested with the administrative functions of the Board of Visitors of the Kentucky School for the Blind. The Superintendent of the Kentucky School for the Blind shall be permitted and is authorized to appoint an advisory committee which committee shall assist the said Superintendent in conducting the activities of

said School for the Blind, and the appointment of said committee shall be made with the approval of the Kentucky State Board of Education. The advisory committee shall serve without compensation.

ARTICLE IX. DEPARTMENT OF MILITARY AFFAIRS

§ 1. *Functions.* The Adjutant General shall be appointed by the Governor and shall be the executive head of the Department of Military Affairs and he shall have and exercise all the functions vested in the Adjutant General and the Department of Military Affairs by the Constitution and the statutes. The salary of the Adjutant General shall be Five Thousand Dollars ($5,000) annually. The Department of Military Affairs shall consist of the following three divisions: (a) The National Guard; (b) Veterans; and (c) Armories.

§ 2. *National Guard.* The National Guard shall be continued as heretofore established.

§ 3. *Veterans' Division.* The functions heretofore performed by the Kentucky Disabled Ex-Service Men's Board, provided by Chapter twenty-eight (28), Acts of the General Assembly of 1934, shall, beginning July 1, 1936, be continued by the veterans' division of the Department of Military Affairs. The division shall prepare in proper form, present, and prosecute the claims of disabled ex-service men and women and their dependents with the United States Veterans' Administration and other federal agencies; secure and expedite action on said claims; keep in contact with the United States Veterans' Administration so that the status of any claim may be known at any time; continue to survey the state to make certain that no disabled veteran or his dependents are neglected; and perform such other duties as the Adjutant General may direct.

The words, "veterans" and "ex-service men and women," as used in this Act, include any individual who served on

active duty in the army, navy, or marine corps of the United States and who has received an honorable discharge from such service.

General administration of the work of this division shall be lodged in the Adjutant General who shall direct the work in the light of advice from the Kentucky Disabled Ex-Service Men's Board of three members. Said Board shall be composed of the Lieutenant-Governor, who shall act as chairman of the board; the State Commander of the American Legion, Department of Kentucky; and the Adjutant General, all *ex officio* members. The members of the Board shall serve without compensation, but they shall be reimbursed for necessary travel expenses incident to their official duties under this section.

This section shall not be effective after June 30, 1938.

§ 4. *Division of armories.* Except as otherwise provided in this Act, this division shall have the powers of the Armory Commission Division as constituted by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, Article XI, section two (2).

The division shall be headed by a director, experienced in the administration of real property.

Article X. Department of Finance

§ 1. *Functions.* The Department of Finance shall have and exercise all administrative functions of the State, except as otherwise provided in this Act in relation to:

(a) Developing financial policies and plans for consideration by the Governor as the basis for his budget and recommendations to the General Assembly and preparing the detailed documents in accordance with the financial plans of the Governor for presentation to the General Assembly; (b) coordinating and supervising the fiscal affairs and fiscal procedures of the State to insure the carrying into effect of the definite financial policies and plans approved by the Gen-

eral Assembly; (c) accounting, including budgetary accounting, and accounting control of the incurring of obligations; (d) fiscal reporting; (e) pre-auditing of expenditures and current auditing of receipts and receivables; (f) purchasing and storekeeping and control of property and stores; (g) administering all provisions of law of general application relating to employment and compensation of personnel; (h) keeping ing accounts controlling all receivables of the State; (i) maintaining and operating public buildings, except those provided for the exclusive use of any one agency; and (j) auditing the accounts of the Treasurer and Auditor of Public Accounts as required by the Constitution and, until the first Monday in January, 1940, conducting all post audits.

All such functions, as set out in this section, heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Finance.

Effective the first Monday in January, 1940, all functions of the Auditor of Public Accounts having to do with the keeping of records, the disbursement of public moneys, and other matters relating to financial administration not enumerated here, except as otherwise provided in this Act, are hereby vested in the Department of Finance, to be exercised as provided in this Act. Specifically, the functions immediately transferred to, and vested in, the Department of Finance, except as otherwise provided in this Act, shall include all functions of the

> Department of Finance and Budgetary Control, and Department of Public Property.

The functions assigned by Chapter twenty-five (25) of the Acts of the General Assembly of 1934 to the State Budget Officer, as well as those assigned to the Department of Finance and Budgetary Control, shall hereafter be vested in and exercised by the Department of Finance. The Department of Finance shall also hereafter make the investigations heretofore required of the State Inspector and Examiner under

Section 4630, Kentucky Statutes, Carroll's 1930 Edition, and, until the first Monday in January, 1940, shall make post audits and perform other functions transferred as of the first Monday in January, 1940, by Article XIX hereof from the State Inspector and Examiner to the Auditor of Public Accounts. The functions transferred to, and vested in, the Department of Finance shall include also, except as otherwise provided in this Act, all functions of the Division of Confederate Pensions in the Military Department in relation to accounting and drawing warrants for payments, all functions of the State Inspector and Examiner in relation to the State budget, and all other functions heretofore vested in each agency mentioned in this section, and in every agency not specifically mentioned herein, in relation to the functions enumerated at the beginning of this section. All revenue collected for the Commonwealth of Kentucky shall be covered through the Department of Finance into the Department of the Treasury. All revenues and other receipts covered through the Department of Finance into the State Treasury shall be certified, prior to the first Monday in January, 1940, to the Auditor of Public Accounts, so that his record of receipts may be complete.

Every requisition for a disbursement from the State Treasury for any purpose whatsoever must be approved by the Department of Finance prior to the issuance of any warrant on the State Treasurer by the Auditor of Public Accounts or any agent or employee of his office.

Hereafter, the Department of the Treasury may stamp warrants interest-bearing only after the approval in writing by the Department of Finance; provided, that the Department of Finance may, at its discretion, give such approval in general terms.

§ 2. *Organization.* The Department of Finance shall be headed by a Commissioner of Finance and shall be divided for administrative purposes into a division of the budget, a division of accounts and control, a division of purchases and pub-

lic properties, and a division of personnel efficiency. The Commissioner of Finance shall be the chief financial officer of the State and the advisor of the Governor and the General Assembly in financial matters, and at all times shall be charged with protecting the financial interests of the state. He shall be responsible to the Governor for the administration of the Department.

§ 3. *Division of the budget.* The division of the budget under the direction of the Commissioner of Finance, shall perform such functions relating to the preparation and administration of the State budget as may be required by the Commissioner of Finance. In general, this division shall be responsible for all matters relating to the State budget as provided in Chapter twenty-five (25), Acts of the General Assembly of 1934, Articles III, IV, V, VI, and IX, and elsewhere in the statutes. The division of the budget shall be headed by a director of the budget, who shall be a person acquainted with the methods and technique of public budgeting. Subject to prior approval of the Governor in writing, the Commissioner of Finance may serve as director of the budget or he may appoint a director of the budget, as provided in this Act, who shall serve unded his supervision and direction.

§ 4. *Division of accounts and control.* The division of Accounts and Control shall perform such record-keeping functions as the Commissioner of Finance may direct. In general, the functions outlined in Article VII of Chapter twenty-five (25), Acts of the General Assembly of 1934, shall be performed by this division; but the division shall maintain such additional records and prepare such additional reports as the Commissioner may require.

The division of accounts and control shall be headed by a controller, preferably a certified public accountant, who shall have had substantial experience during the preceding four years in federal, state, or local accounting, and/or auditing.

§ 5. *Division of purchases and public properties.* The division of purchases and public properties under the direction of the Commissioner of Finance, shall purchase for the combined requirements of all spending agencies of the State all supplies, materials, and equipment, except library books, scientific and instructional equipment, and supplies and food supplies for college dormitories, or shall control or delegate the purchase thereof. The division shall have supervision over all purchases by the various spending agencies, except as otherwise provided in this Act, and may prescribe rules to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance; and no purchase or contract shall be binding on the State or any agency thereof unless approved by the division or made under general regulations which the Department may prescribe. The division shall maintain perpetual inventories of plant and equipment. It shall have power, with the approval of the Commissioner of Finance, to transfer between departments, to salvage, to exchange, and to condemn supplies and equipment. Except as provided in Article VIII of this Act. It shall sell all property of the State determined, with the approval of the Governor, not to be needed for public use or to have become unsuitable for such use. It shall fix standards of quality and quantity, and shall develop standard specifications in consultation with the several spending agencies of the State. It shall maintain records of supplies for various classes of purchases, unit costs under contracts, trends of prices and costs, and other matters incident to performance of its functions as the Commissioner of Finance directs It shall attempt in every practicable way to insure the State's supplying its real needs at the lowest possible cost.

The division shall operate a mail and messenger service for all agencies located at the seat of government and shall handle all postage for such agencies, so far as practicable by postage meter, and may maintain a control supply service

including control storeroom for stationery and office supplies. It shall provide such duplicating and minor printing services to other agencies as can practicably and economically be rendered by means of available types of office equipment. It shall provide, so far as practicable, clerical and stenographic services as needed for unusual work demands of other agencies at the seat of government above the normal demands that can be met by their permanent staff.

It shall be responsible for the custody, management, maintenance, improvement, and operation of all buildings and grounds owned or leased for the use of agencies of the State other than buildings and grounds maintained for the exclusive use of any one agency. It shall have authority to allocate the space in the State Capitol and any other building or buildings in its custody to the various agencies, according to their several needs and the space available, and to lease and allocate space for the housing of agencies that cannot be so accommodated when funds are made available for that purpose.

The division of purchases and public properties shall be headed by a purchasing agent, who shall have had four years of responsible experience in purchasing, or equivalent experience.

§ 6. *Division of personnel efficiency.* The division of personnel efficiency under the direction of the Commissioner of Finance, shall: (a) test and pass upon the qualifications of all applicants for appointments to and promotion in the various positions in the several departments and agencies of the State government, except as hereinafter provided; (b) establish lists for employment and re-employment from which appointments are to be made to the various positions in the State service; (c) prepare and maintain a roster of all employees in the State service; (d) ascertain the correctness and validity of all payrolls before they may be lawfully authorized for payment; (e) ascertain and record all duties, responsibilities, and authority pertaining to the various po-

sitions in the State service, and to classify such positions in the manner hereinafter provided; (f) make studies of the rates being paid for each class of positions for similar or comparable services elsewhere and other information and data pertaining to proper rates of compensation, and to prepare a schedule of compensation for each class of positions with a minimum salary rate, a maximum salary rate, and such intermediate salary rates as may be deemed necessary and equitable; (g) devise, install, and administer service rating systems and training courses for employees insofar as may be practicable; (h) arrange for and pass upon transfers and regulate annual sick and special leaves of absence, hours of work, lay-offs, and removals, in accordance with the provisions of this Act; (i) transfer, temporarily, employees from one department to another when necessary to expedite the work of any department; (j) certify to each department, institution, or agency such clerical and other employees as the department may deem necessary for efficient service; (k) make investigations pertaining to personnel, salary scales, and employment conditions in the State service; and (l) prepare, adopt, and administer such rules and regulations as may be required to carry out the provisions of this section.

The division shall determine the qualifications of applicants for positions in the State service by tests, in connection with which appropriate credit is allowed for experience in the public service or in private employment of comparable character. Such tests may be written, oral or physical, or in the form of a demonstration of skill, or any combination of these, and shall be of such character as fairly to determine the qualifications, fitness, and ability of the persons tested actually to perform the duties of the class of positions in which they seek appointment. Such tests shall be competitive, free, and open to all persons who may be lawfully appointed to any position in the class for which they are held with such limitations as to age, residence, health, habits, character, and sex as the division considers desirable and specifies in the public

announcement of the test. For positions involving unskilled and semi-skilled labor or work, or involving domestic, attending, or other housekeeping or custodial services at institutions where the character of the work, the relatively low rate of compensation, or the place of work, makes it impractical to secure at stated times a sufficient number of applicants to supply the needs of the service, the division may provide by regulation for a procedure which permits the testing of applicants, singly or in groups, at stated places in counties or cities, for such labor or work, and at institutions or elsewhere for domestic, attending, housekeeing, or custodial service at any time on due notice of such tests, but without public announcement.

Heads of departments and divisions herein explicitly provided, private secretaries of heads of such departments and divisions, members of State boards or commissions, the judges and clerks of courts and the employees thereof, employees of the House and Senate, directing heads of Department of Education, the university, colleges, and other State schools and all professors, teachers and employees in these agencies and institutions shall be exempt from the tests and classifications required in this section; and the Department of Education, in conference with the governing heads of the University, state colleges and other state schools shall by appropriate rules provide for the testing and for classifying of all subordinate employees and shall certify to the Department of Finance copies of all such rules and lists of all employees classified according thereto. But in no case shall the standards of classification be inferior for corresponding services to those established by the Department of Finance. All other appointive offices and employees of the State Service entering State employment after September 1, 1936, shall be required to pass required tests before they shall be eligible for appointment, provided that the division of personnel efficiency may authorize the filling of a position at once by provisional appointment not renewable, for not more than four

months; and provided further, that he may also authorize temporary appointments, with or without tests, and not subject to renewal, for a period not exceeding three months.

The division of personnel efficiency, as soon as practicable after this Act takes effect, shall ascertain the duties and responsibilities of all positions in the State service and prepare and adopt a classification plan, together with the rules for its administration. Such classification plan shall show for each class of positions: the title given to each class; a statement of duties and responsibilities of those holding positions in each class; the minimum and desirable qualifications required of each incumbent; the natural and probable lines of promotion to and from the class; and the appropriate salary ranges showing minimum, maximum and intermediate rates for each class.

In establishing any employment list following tests for entrance into State service, the division of personnel efficiency shall place on the list in the order of the earned ratings on the complete tests, the names of persons who show they possess the qualifications which render them eligible to appointment when a vacancy in any position allocated to the class occurs. Except as provided herein, all appointments, including promotions, made by the executive or appointing officers of departments, institutions and agencies of the State government shall be from employment lists furnished or approved by the division. Said division shall provide by rule for the consolidation, continuation, and cancellation of employment lists and for the removal of names therefrom for good cause.

The division shall prepare and maintain a roster of State employees, showing for each employee his name, postoffice address, title of position held, rate of compensation, and change in status, including increases or decreases in pay, changes in title, transfers, sick and annual leave, and any other pertinent facts not enumerated here. In order that this roster may be kept current, the appointing officer of each department, insti-

tution, or agency, shall notify the division immediately of changes in the status of any subordinate officer or employee with respect either to position or salary—whether or not the position is exempt from the requirements of this section.

The division shall check or cause to be checked, all payrolls, or supply to another designated division the proper data for checking such payrolls. Before compensation may be lawfully paid to State officials or employees, the Department of Finance shall have authority to demand supporting information sufficient to ascertain that the persons whose names appear on the payrolls have been legally employed in the performance of the duties indicated at the compensation rates and for the periods for which pay is claimed.

Except as provided in Article VIII of this Act the appointing officer of each department, institution, or agency of the State government shall have the authority to remove any subordinate officer or employee under his jurisdiction from the position which said officer or employee may hold, and the executive or appointing officer shall forthwith notify the division of his action. If the subordinate officer or employee so removed shall request it in writing, the officer making the removal shall file with the division a statement setting forth the reasons for such removal, and this statement shall be open to public inspection. In all such cases, however, the action of the officer making the removal, so long as he shall act within his authority, shall be final.

No person holding a position as subordinate officer or employee in the State service shall directly or indirectly use, or seek to use, his authority, or official influence, to control or modify the political action of any other person, or during the hours of duty engage in any form of political activity, or at any other time take such part in political activities or political campaigns as to affect or impair his usefulness in the position in which he is employed.

The division of personnel efficiency shall be headed by a director, chosen on the basis of training, experience and qualifications for the position, who shall have had at least four years experience in personnel management or equivalent experience and shall preferably have had specialized training in personnel administration.

ARTICLE XI. DEPARTMENT OF REVENUE

§ 1. *Functions.* The functions hertofore performed by the Department of Revenue and Taxation, except as otherwise provided in this Act, are hereby vested in the Department of Revenue. All other tax administration functions heretofore performed by other agencies of the State, including all functions of revenue agents, which agents are hereby abolished, shall hereafter be performed by the Department of Revenue, either directly or through supervision by that department of tax administration activity in other departments to which the Department may commit administration of certain taxes.

The functions of the State Inspector and Examiner having to do with investigation, examination, and and supervision of accounts and operation of local government and local government officers aside from post auditing are hereby transferred to, and vested in, the Department of Revenue.

§ 2. *Organization.* The Department of Revenue shall be headed by a Commissioner of Revenue, who shall be the executive officer and shall have sole charge of the administration of the Department.

The Governor shall appoint two associate commissioners, who with the Commissioner of Revenue shall constitute the Kentucky Tax Commission. The first term of office of one of these commissioners shall expire June 30, 1937, and the first term of the other shall expire June 30, 1938. Thereafter, the term of office of each associate commissioner shall be four years. Each associate commissioner shall head a division of

the Department of Revenue as directed by the Commissioner of Revenue, and shall be paid Four Thousand Dollars ($4,000.00) annually for his services.

The Department of Revenue shall be divided for administrative convenience into the division of general taxation, the division of motor vehicles, the division of local finance, and the division of research and statistics.

§ 3. *Kentucky Tax Commission.* The functions of the Kentucky Tax Commission shall be exclusively (a) to make assessments required to be made heretofore by the State Tax Commission or assigned in this Act to the Department of Revenue; (b) to hear appeals and to review assessments authorized by law to be made by the Department of Revenue; and (c) to promulgate such rules and regulations as are required by law or as the Commission deems necessary to facilitate enforcement of the laws of the Commonwealth subject to administration by the Department of Revenue. All other functions in this Act or hereafter assigned to the Department of Revenue or to the Kentucky Tax Commission shall be performed by the Commissioner of Revenue, as executive and administrative head of the Department and chairman of the Commission.

§ 4. *The division of general taxation.* The division of general taxation shall perform such functions relating to the administration of the tax laws of Kentucky as may be required by the Commissioner of Revenue. In general, this division shall be responsible for administering tax laws heretofore handled through the general offices of the Department of Revenue and Taxation.

The division of general taxation shall be headed by a director of taxation, who shall be a person having had four years of responsible administrative or investigational experience in the field of taxation. The Commissioner of Revenue,

if meeting these qualifications, with prior approval of the Governor in writing may serve as director of taxation; or he may appoint a director, as provided in this Act.

§ 5. *Division of motor vehicles.* The division of motor vehicles, under the direction of the Commissioner of Revenue, shall be charged with the registration of all motor vehicles. If directed by the Commissioner of Revenue, this division shall also administer the gasoline tax heretofore administered through the general offices of the Department of Revenue and Taxation.

The division of motor vehicles shall be headed by a director, who shall be a person having had at least four years of responsible administrative experience.

§ 6. *Division of local finance.* The division of local finance, under the direction of the Commissioner of Revenue, shall exercise all functions in relation to investigation, examination, and supervision of the accounts and operation of local governments and local government officers aside from post auditing heretofore vested in the State Inspector and Examiner.

The division of local finance shall be headed by a director, preferably a certified public accountant, who shall be acquainted with the administration of local finances and who shall have had four years of responsible experience in government administration and/or investigation.

§ 7. *Division of research and statistics.* The division of research and statistics, under the direction of the Commissioner of Revenue, shall be charged with the compilation and analysis (or supervision thereof) of statistical information relative to taxation and finance in the State and each of its political subdivisions. It shall be the duty of this division to make such investigations into matters of taxation in Kentucky or elsewhere as may from time to time be required by the

Commissioner of Revenue and to submit reports on the results of its studies in the form prescribed by the Commissioner.

The division of research and statistics shall be headed by a director, who shall have had four years of experience in research work, at least three years of which shall have been in the field of taxation and other branches of public finance.

ARTICLE XII. DEPARTMENT OF HIGHWAYS

§ 1. *Functions.* The Department of Highways shall have and exercise all the functions heretofore held and exercised by the State Highway Commission of Kentucky, except as otherwise provided in this Act.

§ 2. *Organization.* The Department of Highways shall be headed by a Commissioner of Highways, who shall have sole charge of the administration of the Department. With prior approval by the Governor in writing, the Commissioner of Highways shall appoint as State Highway Engineer, a civil engineer having had at least four years executive engineering experience after receiving his C. E. degree from an accredited university or college. The State Highway Engineer shall be paid an annual salary of Five Thousand Dollars ($5,000.00). He shall be the technical adviser to the Commissioner of Highways, and under the direction of said Commissioner, he shall supervise all construction and maintenance work of the Department and he shall perform such other duties as are assigned to him by the Commissioner.

The Department shall be divided for administrative convenience into a division of construction, a division of records, and division of equipment, a division of maintenance, and a division of highway patrol, which division shall be responsible for the enforcement of the highway laws of the Commonwealth and for such other functions as the Governor may direct in writing. Each division shall perform such duties as may be assigned it by the Commissioner or High-

ways and shall be headed by a director who shall act under the direction and supervision of the Commissioner or Highways.

§ 3. *State Highway Commission.* There is hereby also created a State Highway Commission which shall serve in an advisory capacity to the Commissioner of Highways. The Commissioner of Highways shall serve as *ex officio* chairman of the State Highway Commission.

In addition to the Commissioner of Highways *ex officio* chairman, the Commission shall be composed of nine members appointed by the Governor for four-year terms. One commissioner shall be appointed from each congressional district. Each commissioner shall be paid an annual salary of Three Thousand Dollars ($3,000.00) and in addition shall be allowed his actual and necessary traveling expenses, including necessary traveling expenses incurred in going over his district and for the attendance at regular and call meetings of the whole Commission. The State Highway Commission shall hold at least quarterly meetings at the seat of government and shall hold such other meetings at the seat of government or at a place designated by the Commissioner of Highways as may be called by the Commissioner of Highways.

The nine members of the State Highway Commission appointed from congressional districts shall be known as Advisory Commissioners and it shall be their duty to contact the fiscal courts and have hearings in the various counties of their districts and to ascertain the condition of the state highways in their respective districts and the highway needs of said districts and to acquaint the Commissioner of Highways from time to time as to such conditions and needs. They shall also advise the Commissioner of Highways relative to the personnel needs and the personnel efficiency of the state highway forces in their respective districts. It shall be their further duty to advise the Commissioner of Highways as to the most practical and feasible plans for the maintenance of county highways in the several counties of their respective districts,

when such counties indicate their desire for the State Highway Department to aid in the maintenance of such county roads. The nine advisory commissioners, individually and when acting as a group, shall have no administrative authority or responsibility in the operation of the Department of Highways.

ARTICLE XIII. DEPARTMENT OF WELFARE

§ 1. *Functions.* The Department of Welfare shall have and exercise all administrative functions of the State except as otherwise provided in this Act in relation to: (a) the management and control of penal and eleemosynary institutions; (b) the administration and supervision of all forms of public assistance, including general home relief, outdoor and indoor care for persons in need, old age assistance, aid to dependent children, aid to the blind and otherwise handicapped; the supervision of agencies and institutions caring for dependent, mentally or physically handicapped, or aged adults; approval of the incorporation of charitable agencies and such welfare activities or services; (c) the administration and supervision of all child welfare activities, except those vested in the Department of Health; inspection of private and local public child care agencies and institutions; the care of dependent, neglected, and delinquent children in homes or in institutions, especially children placed for adoption or those of illegitimate birth; the control of State institutions for children and the supervision of juvenile probation; (d) the administration and supervision of all mental hygiene work, including the operation of all State institutions for the care of the mentally ill or feeble-minded persons and provisions for their non-institutional care; (e) the provision of welfare service to county governments, including the organization and supervision of county welfare departments for the effective administration of welfare functions and the compilation of statistics and necessary information relative to public welfare problems throughout the State; (f) provisions of assist-

ance to other departments, agencies, and institutions of the State and federal governments, when so requested by performing services in conformity with the purposes of this Article; (g) acting as the agent of the federal government in welfare matters of mutual concern and in the administration of any federal funds granted to the State to aid in the performance of any function of this Department; (h) operating a laboratory of criminal identification and statistics; and (i) under rules and regulations prescribed by this Department, the designation of county departments to serve as agents in the performance of State welfare activities in the county. The administration of all state functions heretofore vested in (a) the Kentucky Children's Home Society; (b) the Kentucky Home Society for Colored Children; (c) the Home for Incurables; (d) the Hospital of the Red Cross Association (colored) and (e) the Trustees of the Kentucky Confederate Home are hereby transferred to and vested in the Department of Welfare. Provided, however, that the provisions of the foregoing article shall not apply to any institution, home or agencies which do not receive aid, funds or assistance from the State, or any county or municipality.

§ 2. *Organization.* The Department of Welfare shall be headed by a Commissioner of Welfare, advised by a Board of Welfare, and shall be divided for administrative purposes into a division of public assistance; a division of child welfare; a division of mental hygiene; a division of correction; and a laboratory of criminal identification and statistics. The Commissioner of Welfare shall be the executive head of the Department, and shall have sole charge of the administration of the Department, and shall serve as chairman *ex officio* of the Board of Welfare.

The advisory Board of Welfare shall be composed of five members appointed by the Governor. The term of one member shall expire December 31, 1936; one, December 31, 1937; two, December 31, 1938, and one, December 31, 1939. There-

after, each member shall serve for four years and until his successor is appointed and qualified. The members of the Board shall be allowed a per diem of Ten Dollars ($10.00) and expenses for each day they are on official duty.

§ 3. *Division of public assistance.* This division, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of assistance to the needy aged as provided by law; (b) make rules and regulations and take such action as may be necessary and desirable to carry out the provisions of the laws relative to old age pensions and assistance; (c) prescribe the form of, and print and supply to the proper authority, blanks for application, affidavits, reports and other forms as it may deem necessary; (d) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act and approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid or assistance to the needy aged and in conformity with the provisions of this Act; and (e) prepare an annual report at the close of each fiscal year, showing for such year the total amount paid, the total number of persons assisted and such other particulars as it may deem advisable. The director of this division shall be a person thoroughly trained and experienced in welfare work.

§ 4. *Division of child welfare.* The division of child welfare, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of assistance to dependent children by local welfare departments; (b) prescribe the form of, and print and supply to the county department, blanks for reports, affidavits, and such other forms as it may deem necessary and advisable; and (c) cooperate with the Federal Social Security Board created under Title 7 of the Social Security Act approved August 14, 1935, in any reasonable manner as may be necessary to qualify for federal aid to dependent children in conformity with the provisions of

that Act. The director of this division shall be a person thoroughly trained and experienced in child welfare work.

§ 5. *Division of mental hygiene.* The division of mental hygiene, under the direction of the Commissioner of Welfare, shall (a) supervise the administration of the State institutions for the insane at Lakeland, Lexington and Hopkinsville; (b) supervise the administration of the Kentucky Feeble-Minded Institute at Frankfort; (c) provide the proper medical attention for the inmates of these institutions and such treatment as will tend toward the improvement of their mental condition; and (d) provide for the employment of the employable inmates of these institutions on such work as will contribute to the improvement of the mental and physical condition of the inmates and the maintenance of the institution. The director of this division shall be a person thoroughly trained and experienced in mental hygiene work.

§ 6. *Division of corrections.* The division of corrections, under the direction of the Commissioner of Welfare, shall (a) supervise and administer the State Reformatory at Frankfort, the State Penitentiary at Eddyville, and the Houses of Reform at Greendale; (b) supervise the employment of prisoners either within or without the walls or enclosures of these institutions; and (c) administer the Probation and Parole Act, House Bill No. 553, Regular Session, 1936. The director of this division shall be a person thoroughly trained and experienced in penology and prison management.

§ 7. *Laboratory of criminal identification and statistics.* There shall be established, equipped, and maintained a laboratory of criminal identification for the purpose of receiving and filing fingerprints, photographs, and other records pertaining to the investigation of crime and the apprehension of criminals. The laboratory shall be operated by a superintendent under the direction of a Commissioner of Welfare.

The laboratory shall cooperate with the State, county and city law enforcing agencies and with the identification agencies of other states and of the United States, in order to develop and carry on an interstate and national system of criminal identification. Persons in charge of any penal or correctional institution in the State and State law-enforcement officers, sheriffs, deputy sheriffs, constables, and all peace officers of the State operating such identification facilities, shall cooperate in providing the laboratory of criminal identification with fingerprints and descriptions of all persons lawfully committed to their custody or detained by them, in cases where fingerprints and descriptions are taken together with a report of the disposition of all cases of such persons. The superintendent of the laboratory of criminal identification and statistics shall have had successful experience in the field of criminology.

ARTICLE XIV. DEPARTMENT OF HEALTH

§ 1. *Functions.* The Department of Health shall have and exercise all the administrative functions of the State in relation to public health, sanitation, food and drug control, and the prevention and control of communicable diseases, except as otherwise provided by the statutes. The Department of Health shall be constituted and shall perform the functions provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

§ 2. *Organization.* The organization of the Department of Health shall be that provided for in Article X, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, except as otherwise provided in this Act.

ARTICLE XV. DEPARTMENT OF INDUSTRIAL RELATIONS

§ 1. *Functions.* The Department of Industrial Relations except as otherwise provided in this Act shall have and

exercise all administrative functions of the State concerned with employer-employee relationships, heretofore provided by law, including specifically (a) the functions relating to employer-employee relationships and the safety of workers; (b) the Workmen's Compensation Board; (c) the Kentucky Employment Service provided by Chapter thirty-one (31), Acts of the General Assembly of 1932; (d) the director of unemployment compensation; and (e), effective the first Monday in January, 1940, the Chief Labor Inspector and his deputy inspectors. In general, the Department of Industrial Relations shall be charged with the reduction of health and accident hazards in industry, the accumulation and publication of industrial statistics, the promotion of friendly relationships between employers and employees, and the development of better living conditions for the latter. The Department is authorized to perform such functions conducive with these purposes and consistent with the law of the Commonwealth as it may deem appropriate and as the General Assembly shall provide by appropriation.

§ 2. *Organization.* The Department of Industrial Relations shall be headed by a Commissioner of Industrial Relations, paid an annual salary of Four Thousand Dollars ($4,000.00), and shall be divided for administrative purposes into such divisions consistent with this Act and the functions vested by law in the Department as may be determined by the Commissioner of Industrial Relations with the approval of the Governor.

§ 3. *The Workmen's Compensation Board.* The Workmen's Compensation Board shall be continued as now established by law as a part of the Department of Industrial Relations and the members shall give full time to the work of the Board. They shall receive Four Thousand Dollars ($4,000.00) annually for their services. The Workmen's Compensation Board shall continue to perform the functions heretofore vested in it and exercised by said Board; provided,

however, that all final decisions and findings for the Board shall be certified to the Commissioner of Industrial Relations. Said Commissioner shall supervise and manage all financial matters for the Board.

The Workmen's Compensation Board shall prepare such rules and regluations as it may deem necessary for the carrying on of the work and not inconsistent with this Act. The Commissioner of Industrial Relations shall, upon recommendation of the Workmen's Compensation Board, establish and fill such positions, including medical services and advice, in accordance with this Act as may be deemed necessary for carrying on the Board's work, and as may be provided within the limits of appropriations, and so much of Section 4923, Kentucky Statutes, Carroll's 1930 Edition, as designates positions and salaries paid, is hereby repealed.

Hereafter, where there exists in this state any plan, custom, or system whereby the employees in any industry, or the employees at any industrial plant or operation contribute to the payment of any physician or surgeon for furnishing medical or surgical treatment, by deductions from their wages through the office of the employer, a meeting of the employees of any such industry, industrial plant or operation may be called by any ten of the employees thereof by such means or in such manner as may be deemed by them expedient and best calculated to bring to the notice of all employees affected that such meeting is to be held and those in attendance at such meeting, by a majority determination, shall select two of their number, who shall have authority to represent all employees in such industry, industrial plant or operation so affected, and the management of any such industry, industrial plant or operation, upon being notified by the employees of their action, shall forthwith select a like number to represent such management. The persons so selected shall proceed with all reasonable dispatch to meet and select a physician or surgeon for such industry, industrial plant or operation so

affected, and if no selection is made within three days, then all questions pending before them shall be referred to the Commissioner of Industrial Relations who shall act as umpire and his decision in the premises shall be final. No physician or surgeon shall be employed and paid by deductions from the wages of employees except as herein provided. The Commissioner of Industrial Relations shall have authority to enforce the provisions of this paragraph by any and all appropriate legal remedies which may be available to him.

Any physician or surgeon selected as provided herein shall be selected for a definite term, not to exceed four years, and may be removed at any time for gross inefficiency or misconduct in the same manner in which selected.

ARTICLE XVI. DEPARTMENT OF BUSINESS REGULATION

§ 1. *Functions.* The Department of Business Regulation shall have and exercise all the administrative functions of the State except as otherwise provided in this Act in relation to (a) the supervision of motor transportation for hire; (b) the regulation of the manufacture and sale of intoxicating liquors; (c) the supervision of banks and kindred financial institutions; (d) the regulation of insurance practices; and (e) the administration of examining functions for professional and semi-professional groups, except as provided herein.

All functions heretofore vested by law in the Athletic Board of Control, the Department of Motor Transportation of the Department of Revenue and Taxation, the functions assigned by Chapter one hundred and forty-six (146), Acts of the General Assembly of 1934, to the State Tax Commission, the Department of Banking and Securities, the Department of Insurance, the Department of Health, insofar as are concerned with examining boards explicitly mentioned in this section are hereby transferred to and vested in the Department of Business Relation.

§ 2. *Organization.* The Department of Business Regu-

lation shall be headed by a Commissioner of Business Regulation who shall be the Chairman of the Public Service Commission and shall be divided for administrative purposes into a division of motor transportation, a division of alcoholic control, a division of banking, a division of securities, a division of insurance, and a division of professional standards. The heads of the divisions of said Department shall be appointed by the Governor.

§ 3. *Division of motor transportation.* The division of motor transportation, headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all the functions in relation to the regulation of motor vehicles for hire and of their operation, heretofore provided by law and assigned to the Department of Revenue and Taxation. The qualifications of the director of this division shall include four years experience in the work of motor vehicle regulation or equivalent experience.

§ 4. *Division of alcoholic control.* The division of alcoholic control, headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with the enforcement of the Kentucky Alcoholic Control Act, Chapter one hundred forty-six (146), Acts of the General Assembly of 1934, heretofore administered by the Department of Revenue and Taxation. The director shall have had four years experience in business regulation or equivalent experience.

§ 5. *Division of banking.* The division of banking headed by a director, under the supervision of the Commissioner of Business Regulation, shall be charged with all banking functions heretofore vested in the Department of Banking and Securities and enforce all laws relating to banks, trust companies, and other financial institutions heretofore performed by any other department, agency, or officer of the Commonwealth. The director of this division shall have had at least four years of successful business experience.

§ 6. *Division of securities.* The division of securities headed by a director under the supervision of the Commissioner of Business Regulation, shall have and exercise all functions relating to securities and the "Blue Sky Law" heretofore vested in the Department of Banking and Securities, as set forth in Chapter seventeen (17), Acts of the General Assembly of 1932 and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 7. *Division of insurance.* The division of insurance headed by a director, under supervision of the Commissioner of Business Regulation, shall have and exercise all functions heretofore vested in the Department of Insurance under Article XV, Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, and elsewhere in the statutes. The director of this division shall have had at least four years successful business experience.

§ 8. *Division of professional regulation.* The division of professional regulation, headed by a secretary, under the supervision of the Commissioner of Business Regulation shall supervise the licensing of all architects, accountants, barbers and beauticians, chiropractors, dentists, embalmers, trained nurses, pharmacists, and veterinary examiners. The Board of Examiners and Registration of Architects, the Board of Accountancy, the Board of Barber and Beautician Examiners, the Board of Chiropractic Examiners, the State Board of Dental Examiners, the State Board of Embalmers of Kentucky, the State Board of Examiners of Trained Nurses, the Kentucky Board of Pharmacy, and the State Board of Veterinary Examiners, shall continue as separate agencies, financed as provided by law; but shall be required to clear all matters of administration, except the examination of applicants for licenses, through the division of professional regulation in a manner approved by the Commissioner of Business Regulation,

The office of the secretary of the division of professional regulation shall be financed by assessments on the professional groups named herein on an equitable basis approved by the Commissioner of Finance.

In the event any appointments to boards authorized by law, whether named in this section or not, are made from lists submitted to the Governor, the Chief Executive may reject any such list and require submission of other lists.

ARTICLE XVII. DEPARTMENT OF CONSERVATION

§ 1. *Functions.* The Department of Conservation shall have and exercise all administrative functions of the State, except as otherwise provided in this Act relating to: (a) the protection and conservation of wild life in the State; (b) the operation and maintenance of parks and museums of the State, except those allocated to the Department of Library and Archives; (c) the conservation and protection of the timber resources of the State; (d) the publicizing of the natural resources, agricultural, commercial, and industrial development, and tourist attractions of the State.

All such functions as listed in this section heretofore vested in any existing agency are hereby transferred to, and vested in, the Department of Conservation. Specifically, the functions transferred to and vested in the Department of Conservation, except as otherwise provided in this Act, shall include all functions of the

State Forester
Game and Fish Commission
George Rogers Clark Memorial Commission
Jefferson Davis Memorial
My Old Kentucky Home Commission
Kentucky National Park Commission
Kentucky State Park Commission, and
Commissioners of the Perryville Battlefield.

In addition, the Department of Conservation shall exer-

cise all other conservation functions not specifically mentioned in this Act, and the Department shall have authority to exercise the right of eminent domain as provided in Sections 3766e-26 to 3766e-28, inclusive, 1933 Supplement to Kentucky Statutes, Carroll's 1930 Edition, and Chapter 134, Acts of the General Assembly of 1930, Sections 1, 2 and 3.

§ 2. *Organization.* The Department of Conservation shall be headed by a Commissioner of Conservation, paid an annual salary of Four Thousand Dollars ($4,000.00), and the Department shall for purposes of administration be divided into a division of game and fish, a division of parks, a division of forestry, a division of publicity, and a division of archaeology.

§ 3. *Division of game and fish.* The division of game and fish shall be headed by a director, who shall administer affairs of the division under the supervision of the Commissioner of Conservation. The Governor shall appoint an advisory game and fish commission of five members, one to serve for one year, one to serve for two years, one to serve for three years, and two for four years. As their respective terms expire, the appointment of their successors shall be for four years.

The division of game and fish, under the supervision of the Commissioner of Conservation, shall have and exercise the functions heretofore assigned the game and fish commission by law.

No member shall be appointed a member of the Commission unless he shall be well informed on the subject of wild life conservation and restoration. The members of the Commission shall receive no compensation for their services, except that each commissioner shall be entitled to reimbursement for actual and necessary traveling expenses incurred by him as a member of the Commission, but in no case shall such expenses exceed Five Hundred Dollars ($500.00) annually.

§ 4. *Division of parks.* The division of parks, headed by a director, under the supervision of the Commissioner of Conservation, shall perform such functions, relating to the operation and maintenance of parks, museums, and monuments of the State as may be required by the Commissioner of Conservation, except those prescribed for the Department of Library and Archives in this Act. Specifically, all functions heretofore vested in the following agencies are transferred to and vested in the division of parks:

George Rogers Clark Memorial Commission
Jefferson Davis Memorial
My Old Kentucky Home Commission
Kentucky State Park Commission, and
Commissioners of the Perryville Battlefield.

The Kentucky National Park Commission shall be attached to the Division of Parks and the Commission shall continue to perform the functions now provided by law, until such time as the purposes for which it was created have been completed.

§ 5. *Division of forestry.* The division of forestry, headed by a director, under the supervision of the Commissioner of Conservation, shall have and exercise all functions relating to the protection, conservation, and maintenance of forest preserves or forest areas controlled by the State. The director of this division shall have had at least four years experience in forestry work, or equivalent experience.

§ 6. *Division of publicity.* The Kentucky Progress Commission shall be attached to the division of publicity and the director of the division shall serve as secretary of the Progress Commission. The members of the Commission shall serve at the pleasure of the Governor and without compensation. The purpose of the division of publicity shall be to promote the development of the Commonwealth, by making general studies of its natural resources, facilities and ad-

vantages for agriculture, commercial and industrial development and for the attraction of tourists to the Commonwealth, within the limits of such appropriations as may be made by the General Assembly and such moneys as may be received by the division through donations or contributions.

§ 7. *Division of archaeology.* The division of archaeology, headed by the head of the Department of Archaeology of the University of Kentucky, shall be charged with the duty of collecting, classifying, and preserving archaeological relics, materials, and places and of conducting archaeological research.

ARTICLE XVIII. DEPARTMENT OF LIBRARY AND ARCHIVES

§ 1. *Functions.* All functions heretofore vested in the Kentucky Library Commission, the Library of the Commonwealth, and the State Law Library are hereby transferred to and vested in the Department of Library and Archives, except that books for the Law Library shall continue to be purchased as now provided by law. The Department of Library and Archives shall have such charge and custody of all property of the Kentucky Historical Society as may be provided by agreement between the said Department and the said Society under the terms of this Act.

§ 2. *Organization.* The Governor shall appoint a State Librarian who shall be responsible for the administration of said Department. The Librarian shall have had technical training in the field of library science and shall have had at least four years' library experience in an administrative capacity. He shall be paid an annual salary of not more than Three Thousand Dollars ($3,000.00). The Department of Library and Archives shall be composed of a library extension division, a legislative and law library, and the Kentucky Historical Society.

§ 3. *Library extension division.* The library extension

division shall be headed by an assistant librarian and shall act under the direction of the State Librarian. This division shall be vested with all the functions heretofore performed by the Kentucky Library Commission and its officers. The assistant librarian, who shall have charge of this division, shall have had the same training as the Librarian and shall have had two years of library experience.

§ 4. *Legislative and law library.* The legislative and law library shall be headed by an assistant librarian who shall act under the direction of the State Librarian. This assistant librarian shall be in charge of all functions now performed by the Library of the Commonwealth of Kentucky and the Law Library, except as herein otherwise provided, together with such library materials as may be made available through the Kentucky Historical Society under the arrangements provided in this Act. The assistant librarian in charge of the Law Library shall be a graduate of an accredited law school.

§ 5. *The Kentucky Historical Society.* The Kentucky Historical Society, heretofore incorporated under the laws of this State, shall be continued as heretofore established. It is hereby declared a condition precedent to paying over to such Society of any public moneys of the State that all books, archives, documents, library and historical exhibits, and other library properties, whether or not enumerated herein, be made available to the Department of Library and Archives for cataloging and maintenance as a part of the collection of said Department under such agreement as to joint maintenance and use of the library materials of the Society and as to the apportionment of the expense of maintenance as shall be agreed upon and approved by the Governor. In no case shall a warrant be drawn in favor of such Society except on certification of the State Librarian that the conditions prescribed in this Act have been complied with.

ARTICLE XIX. DEPARTMENT OF MINES AND MINERALS

The Department of Mines and Minerals is hereby continued as created and established by Article XVI, Chapter 155, of the Acts of the General Assembly of 1934. The Department of Mines and Minerals shall be constituted and shall continue to perform the functions as provided and authorized in said Article XVI, Chapter 155, of the Acts of the General Assembly of Kentucky of 1934.

ARTICLE XX. AUDITOR OF PUBLIC ACCOUNTS

§ 1. *Functions.* The Auditor of Public Accounts shall be elected as provided by the Constitution. His powers and duties shall continue as heretofore provided by law until the expiration of the term of the Auditor of Public Accounts in office when this Act is passed, except as provided in this Act. Thereafter, the Auditor of Public Accounts shall constitute an agency independent of the administrative departments as provided in this Act with powers and duties as hereafter prescribed.

It is hereby declared to be the policy of the General Assembly to provide for the independent auditing of the accounts and financial transactions of all spending agencies of the State through a disinterested auditor, who is entirely independent of the State administration whose affairs he is called upon to audit.

Each Auditor of Public Accounts hereafter elected shall have power and it shall be his duty: (a) to audit annually or at such times as may be deemed expedient, the accounts of all officers, departments, institutions, boards, commissions, and other agencies of the State government, including the general accounts of the State; (b) to make a complete audit and verification of all moneys handled for the account of the State government by all local officials, who are or hereafter may be charged with the collection of fees or moneys for or on behalf of the State, provided that this requirement shall

be permissive rather than mandatory, except that when such an audit is demanded in writing by the Legislative Council, the Commissioner of Finance or the Governor, it shall be mandatory; (c) to investigate the means of accounting for, controlling, and insuring the safe coustody of all property of the State, and to verify the existence and condition of such property charged to, or held in the custody of, any officer or any department, board, commission, institution, or other agency of the State government; (d) to audit the statements of financial conditions and operations of the State government, to examine the estimates of resources available for appropriation and the estimates of receipts prepared for inclusion in each biennial budget report, and to certify in writing the results of such audit and examination with such comments as he may deem necessary for the information and guidance of the General Assembly; and his certificate and comments shall be included with such statements and estimates as presented in the budget reports; (e) if at any time he should discover any unauthorized, illegal, or otherwise irregular or unsafe handling or expenditure of State funds, or other improper practice of financial administration, or evidence that any such handling, expenditure, or practice is contemplated, or if, during the conduct of any audit or investigation of any agency of the State government, he or his authorized agents are obstructed in the performance of his duties, forthwith to lay the facts in writing before the Governor, each member of the Legislative Council, and the Commissioner of Finance; (f) to assist the Legislative Council at hearings and investigations conducted by such Council and to cooperate with the Council in the preparation of its reports to the General Assembly; and (g) to keep accounts showing the costs of his own operations and of each separate audit and investigation made by him, and such accounts as he may deem necessary to provide a record of warrants of the State outstanding as of the end of each calendar month.

All functions heretofore vested in the State Inspector and Examiner in relation to the auditing of the accounts and operations of state officers and agencies, effective the first Monday in January, 1940, are hereby transferred to, and vested in, the Auditor of Public Accounts.

After the first Monday in January, 1940, the Auditor of Public Accounts shall not have any administrative powers or duties except as specified in this Act. He shall not be responsible for the keeping of any accounts of the State, except accounts relative to his own operations and records of outstanding warrants as herein provided, for the collection of any money due the State, or for the handling or custody of any State funds or other property otherwise than in the process of counting and verifying the amounts of such funds or other property in the course of the audits herein provided for.

§ 2. *Audit reports.* Immediately upon completion of each audit and investigation, the Auditor of Public Accounts shall prepare a report of his findings and recommendations and furnish one copy thereof to the head of the department or other agency to which the report pertains, one copy to the Governor, one copy to the Commissioner of Finance, and one copy to each member of the Legislative Council. He shall prepare and transmit to each member of the General Assembly not later than December fifteenth immediately preceding the convening of each regular session of the General Assembly, a printed report on his activities, summarizing the findings and recommendations made in his report on each audit or investigation made since the last preceding biennial report to the General Assembly, and presenting such other findings and recommendations as he may see fit to make, and shall file a copy of such report with the Governor, five copies with the State Librarian, and five copies with the Librarian of the University of Kentucky.

§ 3. *Access to books and records.* The Auditor of Pub-

lic Accounts shall have access to, and authority to examine any and all books, accounts, reports, vouchers, correspondence files, and other records, and money or other property, of any agency of the State government; and it shall be the duty of any officer or employee of any such agency having such records or property in his possession or under his control to permit access to, and examination of, them upon the request of the Auditor or any agent authorized by him to make such request. Any officer or person who shall fail or refuse to permit such access and examination or who shall in any way interfere with such examination shall be guilty of a misdemeanor, and upon conviction therefor shall be fined not less than One Hundred Dollars ($100.00) or be imprisoned in the county jail for not less than one month and not more than twelve months, or be punished by both such fine and imprisonment, and each refusal of an officer shall constitute a separate offense.

§ 4. *Appointment of Assistant Auditor of Public Accounts.* To assist him in the performance of the duties conferred and imposed in this Act, the Auditor of Public Accounts shall appoint one assistant auditor of public accounts, who shall be a certified public accountant and who shall have direct supervision over all technical work and technical assistants. The salary of such assistant auditor shall be fixed by the Auditor of Public Accounts, but in no case shall it exceed Thirty-Five Hundred Dollars ($3,500.00) per annum. Such other assistants as may be authorized by law for the actual conduct of audits shall be persons qualified by at least two years of practical experience in the practice of auditing; provided, that one year of formal training in auditing in an accredited college or university may be substituted for one of the required years of experience.

ARTICLE XXI. LEGISLATIVE COUNCIL

§ 1. *Functions.* There is hereby created a Legislative

Council of fifteen members, whose duty it shall be: (a) to collect information concerning the government and general welfare of the State, examine the effects of previously enacted statutes and recommend amendments thereto, deal with important issues of public policy and questions of state-wide interest, and prepare a legislative program in the form of bills or otherwise, as in its opinion the welfare of the State may require, to be presented at the next session of the General Assembly; (b) to receive and consider, after the first Monday in January, 1940, the reports of the Auditor of Public Accounts and to report to the respective houses thereon, for the purpose of perfecting the contact of the General Assembly with the administration through the Auditor of Public Accounts and in order to insure that the Auditor's reports shall receive the attention they merit; and (c) to encourage and arrange conferences with officials of other states and of other units of government; carry forward the participation of this state as a member of the Council of State Governments, both regionally and nationally and formulate proposals for cooperation between this state and other states.

§ 2. *Organization.* The Legislative Council shall consist of five senators, five representatives, and five administrative officials of the state government. The five senators shall be appointed by the Lieutenant Governor, the five representatives by the Speaker of the House of Representatives, before the close of the present extraordinary session of the General Assembly and during each regular session thereafter, such appointments to be approved by a majority vote of the respective Houses; and the five state officials shall be named by the Governor of the Commonwealth. The Governor shall be an honorary member of the Council. The Lieutenant Governor shall be *ex officio* member and chairman, and the Speaker of the House of Representatives shall be *ex officio* member and vice-chairman. The party representation on the Council shall be in proportion generally to the relative num-

ber of members of the different political parties in each house of the General Assembly, but in no event shall the majority party in either house be represented by more than three-fifths of the members of said Council from either house.

The Council shall meet as often as may be necessary to perform its duties, not exceeding twenty days in any one calendar year; provided that in any event it shall meet at least once in each quarter. Meetings of the Council shall be called by the chairman, except when fixed by resolution of the Council; provided, however, upon written request of five members, the chairman shall call a meeting of the Council, if the Council has not already met twenty days during the calendar year in which such request is made. Members of the Council shall be compensated for the time spent in attendance at sessions of the Council at the rate of Ten Dollars ($10.00) per day and for actual expenses incurred while attending said session.

§ 3. *Authority to obtain information.* In the discharge of any duty herein imposed, the Council shall have the authority to administer oaths, issue subpoenas, compel the attendance of witnesses and the production of any papers, books, accounts, documents, and testimony, and to cause the deposition of witnesses, either residing within or without the State, to be taken in the manner prescribed by law for taking depositions in civil actions in the circuit courts. In case of failure on the part of any person to comply with any subpoena issued in behalf of the Council, or on the refusal of any witness to testify to any matters regarding which he may be lawfully interrogated, it shall be the duty of the circuit court of any county, on application of the Council, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued for such court or a refusal to testify therein. Each witness who appears before the Legislative Council by its order, other than a state officer or employee, shall receive for his attendance the fees and

mileage provided for witnesses in civil cases in courts of record, which shall be audited and paid upon the presentation of proper vouchers sworn to by such witness and approved by the chairman of the Council.

Each officer, board, commission or department of State government or any local government, shall make such studies for the Council as it may require and as can be made within the limits of its appropriation.

The Council may employ a research director and such assistants and engage the services of such research agencies as it may deem desirable and its appropriation permits, in the preparation of a program of legislation or in regard to any matters of state-wide public importance within the jurisdiction of the legislative branch.

§ 4. *Voluntary submission of information to the Council.* The Governor shall have the right to send messages to any session of the Council containing his recommendations and explaining the policy of the administration.

Any member of the General Assembly shall have the right to attend any of the sessions of the Council, and may present his views on any subject which the Council may at any particular time be considering; but he shall not have the right to participate in any decision which the Council may make.

§ 5. *Reports.* The Council shall keep complete minutes of its meetings and shall make periodic reports to all members of the General Assembly, and keep said members fully informed of all matters which may come before the Council, the actions taken thereon, and the progress made in relation thereto.

The recommendations of the Council shall be completed and made public, preferably thirty days prior to any session of the General Assembly at which time such recommendations shall be mailed to the post-office address of each member

of the General Assembly. At the same time a copy shall be filed with the Governor and with each elective State officer, and five copies shall be filed with the State Librarian and five with the Librarian of the University of Kentucky.

ARTICLE XXII. BOARD OF ELECTION COMMISSIONERS

§ 1. The Board of Election Commissioners shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXIII. RAILROAD COMMISSION

§ 1. The Railroad Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act.

ARTICLE XXIV. STATE RACING COMMISSION

§ 1. The State Racing Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments provided by this Act. The Secretary of the State Racing Commission shall be appointed by the Governor for a term not to exceed four years and he shall receive an annual salary of Twelve Hundred Dollars ($1,200.00). Said salary shall be paid in the manner now provided in Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition. So much of Section 3990a-2, Kentucky Statutes, Carroll's 1930 Edition, as is inconsistent with this Act is hereby repealed.

ARTICLE XXV. PUBLIC SERVICE COMMISSION

§ 1. The Public Service Commission shall be continued as heretofore provided by law. It shall be held to be an agency independent of the administrative departments pro-

vided by this Act; provided, however, that the Chairman shall serve as head of the Department of Business Regulation.

ARTICLE XXVI. THE GOVERNOR'S CABINET

§ 1. *The Governor's Cabinet.* The heads of the constitutional and statutory administrative departments as enumerated in Article II, Section one (1) of this Act, and (until the first Monday in January, 1940), Auditor of Public Accounts, together shall constitute the Governor's Cabinet, which shall meet not less often than once a month at such times and places as it may provide by rule and at other times and places upon the call of the Governor. The Governor's Cabinet shall consider such matters involving general administrative policies and procedure, relations between departments and other agencies, and desirable measures of co-operation between departments and other agencies, as the Governor or any member may place before it, and shall advise and consult with the Governor at his request on all matters affecting the welfare of the State and relating to the several departments and other agencies. The Governor shall be the chairman of his Cabinet. For the purposes of this Act, the Cabinet shall be deemed to be attached to the office of the Governor and not to constitute a separate department or agency of the State.

The deliberative functions of the Executive Cabinet provided by Chapter one hundred and fifty-five (155), Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The administration of all functions heretofore vested in the State Planning Board, as set out in Chapter twenty-nine (29) of the Acts of the General Assembly of 1934, are hereby transferred to and vested in the Governor's Cabinet.

The Governor's private secretary shall serve as secretary of the Governor's Cabinet and shall be paid Three Thou-

sand Dollars ($3,000.00) annually for such services in addition to his salary as private secretary to the Governor.

ARTICLE XXVII. GENERAL PROVISIONS

§ 1. *Transfer of functions.* Whenever functions heretofore vested in, or exercised by, any agency are, by this Act, transferred in whole or in part to and vested in a department or other agency created or continued by this Act, the department or other agency in which such functions are vested hereby shall be the successor in every way with respect to such functions, to the agency in which such functions heretofore have been vested, and to every act done in the exercise of such functions by, or under the authority of, the department or other agency from which such functions are hereby transferred. Whenever any such former agency is referred to, or designated in, by law contract, or document, such reference or designation shall be deemed to refer to the department or other agency in which the functions of such agency so referred to or designated, or such functions as are involved in such reference or designation, are vested by the terms of this Act.

§ 2. *Transfer of records and equipment.* Upon the taking effect of any transfer of functions provided by this Act, all books, papers, records, property, and pending business theretofore made, used, acquired, or conducted by any previously existing agency in the exercise of functions hereby transferred to any agency created or continued by this Act, shall be transferred to, and vested in, the agency succeeding to such functions.

§ 3. *Transfer of officers and employees.* All officers and employees whose functions are transferred hereby from an existing agency and vested in a different agency, created or continued by the terms of this Act, shall be transferred, with their functions, to the department in which their func-

tions, or the major part thereof, are hereby vested and shall so far as practicable continue to perform their usual duties until the expiration of their respective terms for which they were appointed or elected; but the head of each department with the approval of the Commissioner of Finance, shall have power to abolish unnecessary offices and positions, to transfer officers and employees between positions, and to change the duties, titles, and compensation of existing offices and positions, subject to any other provision of law in relation thereto.

§ 4. *Transfer of appropriations.* Whenever functions heretofore vested in any agency are transferred by the terms of this Act and vested in a different agency, the balance of appropriations to the credit of the agency from which such functions are transferred, available for expenditure in the exercise of such functions, shall be transferred to the credit of the agency to which such functions are hereby transferred and shall be made available under the provisions of this Act for expenditure by such agency in the exercise of such functions in accordance with law. Where two or more functions provided for by existing appropriations not segrated to the purposes represented by such functions are divided hereby between two or more agencies, the division of such appropriations shall be determined by the Commissioner of Finance with the approval of the Governor.

§ 5. *Heads of departments.* The heads of departments provided herein shall have direction and control of their respective departments and, subject to the provisions of this Act, shall through such departments exercise such powers and perform such duties as are vested by this Act in the several departments under their direction and control and in any agencies thereof. Except as otherwise expressly provided by law or in this Act, the heads of departments shall be appointed by the Governor for terms not to exceed four years on the basis of their merit and fitness to perform the

duties and exercise the responsibilities of their respective offices, and shall serve at the pleasure of the Governor. Heads of constitutional administrative departments and of independent agencies, enumerated in Article II, shall be paid the salaries now provided by law, except as otherwise provided in this Act. Heads of statutory administrative departments, except as otherwise provided in this Act, shall be paid annual salaries of Five Thousand Dollars ($5,000.00) each.

The head of the Department of Finance and the head of the Department of Revenue shall each give bond, of not less than Fifty Thousand Dollars ($50,000.00), for the faithful performance of their respective duties, and the heads of other statutory administrative departments may be required to give bond, for the faithful performance of their respective duties, in such amounts as determined by the Governor. Said bonds shall be executed by some surety company or companies authorized to do business in the Commonwealth, and the bonds shall be approved by the Governor and paid for by the State. The bonds, when executed and approved by the Governor, shall be filed with the Secretary of State.

§ 6. *Deputy Heads of departments.* In each statutory administrative department the Governor may authorize the head of a division or other executive officer in the absence or disability of the head of the department, or in the case of a vacancy, to act as head of such department until such absence or disability is terminated or such vacancy is filled.

§ 7. *Division of departments.* The work of each department shall be distributed among the boards, commissions, divisions, and institutions provided by this Act or hereafter established by law. On recommendation of the head of a department concurred in by the Commissioner of Finance, the Governor in writing may authorize the head of any statutory department to establish an additional division, or divisions, divide or combine existing divisions, change the name of a division, or divisions, or transfer functions and staff from one division to another within his department. The Commis-

sioner of Finance, with prior approval of the Governor in writing, may authorize any department head to create, combine, or divide subordinate units within a division or institution, or otherwise to alter the internal organization of a division or institution. The deputy heads in statutory administrative departments, and the heads of divisions in such departments shall be appointed by the heads of the respective departments with prior approval of the Governor in writing, except as otherwise provided in this Act; and each division head shall report to the head of the department notwithstanding previous statutory requirements. Division heads in statutory administrative departments shall be paid annual salaries fixed by the respective department heads with prior approval of the Governor in writing at not more than Forty-Five Hundred Dollars ($4,500.00); provided, that in no case shall a division head's salary be more than that of the head of his department less Five Hundred Dollars ($500.00).

§ 8. *Department staffs.* The heads of statutory departments, with the approval of the Department of Finance, may establish such subordinate positions as may be necessary and make appointments thereto, within the limitations of appropriations provided and subject to the other provisions of this Act, and removals therefrom. All appointees to such positions shall be under the supervision, direction and control of the heads of the respective departments and shall perform such duties as such officers shall prescribe. The deputy heads of departments and the directors of divisions and institutions, as provided in this Act, as well as all other employees not otherwise provided for in this Act shall be appointed by the heads of the departments.

§ 9. *Appointments to Boards and Commissions.* Except as otherwise expressly provided in this Act, the members of each board or commission provided by this Act shall be citizens of the State appointed by the Governor, from the state-at-large on the basis of their interests in public affairs, their

good judgment, and their knowledge and ability in the field of action of the department for which appointed, with a view to providing diversity of interests and points of view in the membership and without regard to their political or religious opinions or affiliations. Notwithstanding any existing statutory provision, any member of a board or commission shall be eligible to hold any appointive office or to become a candidate for any elective office immediately upon his retirement from said board or commission; provided, however, no member may become a candidate for any public office while serving on any board or commission. Before entering upon the duties of office, all members of such boards and commissions provided for by this Act shall take an oath of office as prescribed for officers of the State.

§ 10. *Administrative rules.* The Governor with the approval of his Cabinet, may prescribe such general rules for the conduct of the administrative departments as he may deem necessary or expedient to give effect to the provisions of this Act. The head of each department may likewise prescribe such rules as he may deem necessary or expedient for the proper conduct of the work of the department and for making effective the provisions of law, and not inconsistent therewith or with the general rules prescribed by the Governor.

§ 11. *Cooperation between departments.* It shall be the duty of any administrative department or other agency, subject to such rules as may be prescribed by the Commissioner of Finance pursuant to this Act, to furnish to any other administrative department or other agency such services, labor, and materials, as may be requisitioned by the head of such other department or other agency, and as its own facilities provide, through the same procedure and subject to the same measures of audit and control as other proposed expense, the expense to be billed and charged to the departments and other agencies served, by transfers between appropriations. The

departments and other agencies shall, so far as practicable, cooperate with each other in the use of services, quarters, and equipment.

§ 12. *Determination of conflicts between departments.* In all cases where questions arise between departments or other agencies, or officers or boards thereof, as to their respective functions, or where departments or other agencies issue conflicting orders or make conflicting rules, the Governor, with the advice of the Governor's cabinet shall determine the questions, and action shall be taken in accordance with such determination.

§ 13. *Reports.* The Governor shall prepare and submit to the General Assembly annual reports of the finances and operations of the State and such other reports as the General Assembly may prescribe or as the Governor may desire. The head of each statutory administrative department shall make to the Governor an annual report and may at any time be required by the Governor to make any special report concerning the work under his charge, with his observations and recommendations thereon and pertinent statistics concerning the work of the department, each of which the Governor shall transmit to the General Assembly with such comments as he may desire to make. All such annual reports shall observe the fiscal year of the State as the reporting year, and shall be published to the extent ordered in writing by the Governor.

§ 14. *Public records.* Except as otherwise prescribed by law, all papers, books, and other records of any matters required by law, or any rule hereunder, to be kept, and all records arising from the exercise of functions authorized or directed theeby, shall be deemed to be public records and shall be open to inspection by any interested person under such reasonable rules as may be established hereunder. A certified copy of any public record, subject to any such rules in effect, shall be furnished by the custodian thereof, to any

person requesting it, upon the payment of such reasonable fee therefor as may be prescribed by law or by rule of the department. Any public record, or copy duly certified by the custodian thereof, shall be *prima facie* evidence of its contents in all proceedings.

§ 15. *Oaths.* The head of each administrative department and any representative authorized by him to conduct any inquiry, hearing, or investigation in the course of the conduct of the work of the department, shall have authority to administer oaths and to examine witnesses under oath relative to any matter properly made a subject to such inquiry, hearing, or investigation.

§ 16. *Agencies abolished.* The offices and other agencies of the State hereinafter named in this section are hereby abolished:

State Athletic Board of Control
Budget Commission
George Rogers Clark Memorial Commission
Board of Trustees of Kentucky Confederate Home
Board of Trustees of Jefferson Davis Memorial
State Live Stock Sanitary Board of Kentucky
My Old Kentucky Home Commission
Armory Commission of Kentucky
Commissioners of the Perryville Battlefield
Board of Visitors for Kentucky School for the Blind
State Planning Board
State Inspector and Examiner
Department of Banks and Securities
State Highway Commission
Board of Welfare, and
The Executive Cabinet provided in Chapter One Hundred and Fifty-Five (155), Acts of the General Assembly of 1934.

§ 17. *Inconsistent laws repealed.* It is the purpose of this Act to provide a unified, integrated, and comprehensive

plan of organization of the executive and administrative department of the government of the Commonwealth, for the exercise of all executive and administrative functions of the State. After this Act is in full effect, no such functions shall be exercised by any agency otherwise than as provided in this Act. All laws and parts of laws in conflict herewith, are hereby repealed to the extent of such conflict.

§ 18. *Reference to functions.* Wherever a general or special reference is made to a function, or functions, in a section, or sections, of the Kentucky Statutes, Carroll's 1930 Edition, or in an act, or acts, of the General Assembly, for the purpose of vesting such function, or functions, in a department, board, commission, or other agency of government provided for in this Act, the reference shall be made a part hereof, as much so as if copied in this Act in full.

§ 19. *Constitutionality.* If any part or portion or the application of such parts or portions, of this Act shall be held unconstitutional or invalid for any reason, the remainder of the Act shall remain in full force and effect.

§ 20. *Emergency.* The disorganized state of the affairs of the Commonwealth creates an emergency, and this Act shall become a law when approved by the Governor; provided, however, that the existing organization of the State government may be maintained intact to the extent required by executive order of the Governor until such time (not in any event later than July 1, 1936) as the reorganization required hereby can be effected.

Said Substitute was then adopted.

Ordered that said bill be engrossed and read the third time.

The Constitutional provision as to the third reading of said bill at length being dispensed with and the same being

engrossed, said bill was read the third time by its title only and passed.

The yeas and nays being taken thereon in accordance with the provisions of the Constitution, were as follows, viz.:

Those who voted in the affirmative were—

F. T. Allen	Eugene Gough	J. C. Nickell
Henry H. Allen	Ben Grogan	Mel Petry
C. W. Anderson, Jr.	W. L. Hampton, Jr.	A. W. Pfeiffer
H. T. Baker	Price Holbrook	J. C. Ramey
W. T. Baker	Clyde S. Howard	Harry C. Records
B. F. Bedford	Ira W. Hulette	Wade H. Riley
Douglas Bolling	John M. Hunnicut	Joe E. Robinson
Ollie J. Bowen	Ben W. Johnson	John C. Robinson
Wallace Brown	J. H. Jones	W. T. Rollo
V. O. Chandler	O. C. Jones	A. W. Ross
Floyd Clark	R. T. Kirkman	Carl Scheben
Roscoe Claxon	J. F. Ladd	Carl Schneider
George S. Clay	M. T. McCarthy	Dr. B. F. Shields
J. A. Coleman	T. B. McConnell	P. L. Sidebottom
Roy Conway	J. L. McDermott	Bruce Sloan
Herbert Cook	W. F. McGary	W. R. Tapp
Sam Dever	Elmer McGlothen	J. J. Thomas
Stanley S. Dickson	John Marshall	S. J. Wagner
George W. Dunlap	C. S. Matherly	Joseph L. Wall
Garland Embry	D. T. Matlack	Henry Ward
Clarence E. Evans	Duke Mayfield	L. R. Wells
Chas. P. Farnsley	John B. Mollett	W. G. Williams
T. P. Fitzpatrick	W. E. Mull	Charles Wylie
James Garnett, Jr.	Tyler Munford	John Kirtley
Ferd A. Gnau	Rodes K. Myers	—74

Those who voted in the negative were—

G. M. Ballard	Harry Davis	G. W. Garrett
Reuben J. Boling	Howard G. Early	Jas. T. Hamilton
Dr. R. A. Byers	Walter R. Fannin	C. L. Hammons
Jas. C. Carter	H. Myer Garner	Thomas W. Hines

Leslie Larrimore	W. H. Miller	Chester D. Silvers
Robert E. Lee	Russell O'Neill	H. C. Steely
Lloyd MacDonald	Hobart Rayburn	Henry Stewart
G. S. Milam	Ray O. Shehan	R. Van Bever, Jr.

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Resolved that the title thereof be as amended.

Mr. Myers moved that the vote by which said bill was passed be reconsidered and that said motion lie on the table.

Said last named motion was agreed to.

Dr. Shields moved that the House do now adjourn to meet again on Friday, March 6, at two o'clock P. M.

Said motion was agreed to.

And then the House adjourned.

FRIDAY, MARCH 6, 1936.

The House was opened with prayer by the Reverend Hampton Adams of the First Christian Church of Frankfort, Kentucky.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	Wallace Brown	Harry Davis
C. W. Anderson, Jr.	Jas. C. Carter	Sam Dever
W. T. Baker	V. O. Chandler	Stanley S. Dickson
G. M. Ballard	Floyd Clark	George W. Dunlap
B. F. Bedford	George S. Clay	Howard G. Early
Reuben J. Boling	J. A. Coleman	Clarence E. Evans
Douglas Bolling	Roy Conway	Walter R. Fannin
Ollie J. Bowen	Herbert Cook	Chas. P. Farnsley

T. P. Fitzpatrick	T. B. McConnell	Joe E. Robinson
H. Myer Garner	J. L. McDermott	John C. Robinson
James Garnett, Jr.	Lloyd MacDonald	W. T. Rollo
G. W. Garrett	W. F. McGary	A. W. Ross
Ferd A. Gnau	Elmer McGlothen	Carl Scheben
Eugene Gough	John Marshall	Carl Schneider
Ben Grogan	C. S. Matherly	Ray O. Shehan
Jas. T. Hamilton	D. T. Matlack	Dr. B. F. Shields
C. L. Hammons	Duke Mayfield	P. L. Sidebottom
W. L. Hampton, Jr.	W. H. Miller	Chester D. Silvers
Thomas W. Hines	John B. Mollett	Bruce Sloan
Clyde S. Howard	W. E. Mull	Henry Stewart
Ira W. Hulette	Tyler Munford	W. R. Tapp
John M. Hunnicut	Rodes K. Myers	J. J. Thomas
Ben W. Johnson	J. C. Nickell	S. J. Wagner
J. H. Jones	Russell O'Neill	Joseph L. Wall
O. C. Jones	A. W. Pfeiffer	Henry Ward
R. T. Kirkman	J. C. Ramey	L. R. Wells
J. F. Ladd	Harry C. Records	Charles Wylie
Leslie Larrimore	Wade H. Riley	

Mr. Davis moved that the reading of the Journal of Wednesday's proceedings be dispensed with.

Said motion was agreed to.

A message was received from the Senate announcing that they had passed a resolution entitled:

S. Res. 6. Joint resolution for adjournment.

Said resolution is as follows:

Be it Resolved, by the Senate of Kentucky, the House of Representatives concurring therein, that when this Extraordinary Session of the General Assembly adjourns on March 7th, 1936, that it adjourn sine die.

Said resolution was concurred in.

Mr. Evans moved that a Committee be appointed by the speaker to draw suitable resolutions on the death of the Honorable Gerald T. Finn, former Speaker of this House.

Said motion was agreed to.

Thereupon the Speaker appointed Messrs. Milam, Myers, Evans, Kirkman and Miller, as members of said Committee.

Dr. Shields moved that Miss Mary Joe Pfeiffer be appointed Honorary Page of this House.

Said motion was agreed to.

Dr. Shields moved that the House do now adjourn.

Said motion was agreed to.

And then the House adjourned.

SATURDAY, MARCH 7, 1936.

The House was opened with prayer by Mr. Carl Scheben of the County of Campbell.

The roll was called and the following members answered to their names, viz.:

F. T. Allen	Floyd Clark	George W. Dunlap
C. W. Anderson, Jr.	Roscoe Claxon	Howard G. Early
W. T. Baker	George S. Clay	Clarence E. Evans
B. F. Bedford	J. A. Coleman	Walter R. Fannin
Reuben J. Boling	Roy Conway	Chas. P. Farnsley
Douglas Bolling	Herbert Cook	T. P. Fitzpatrick
Wallace Brown	Sam Dever	H. Myer Garner
Jas. C. Carter	Stanley S. Dickson	James Garnett, Jr.

G. W. Garrett	D. T. Matlack	Carl Schneider
Ferd A. Gnau	Duke Mayfield	Ray O. Shehan
Eugene Gough	W. H. Miller	Dr. B. F. Shields
Ben Grogan	John B. Mollett	P. L. Sidebottom
C. L. Hammons	W. E. Mull	Chester D. Silvers
Thomas W. Hines	Rodes K. Myers	Bruce Sloan
Ira W. Hulette	J. C. Nickell	Henry Stewart
John M. Hunnicut	Russell O'Neill	W. R. Tapp
Ben W. Johnson	Mel Petry	J. J. Thomas
J. H. Jones	A. W. Pfeiffer	R. Van Bever, Jr.
O. C. Jones	J. C. Ramey	S. J. Wagner
R. T. Kirkman	Hobart Rayburn	Joseph L. Wall
Leslie Larrimore	Wade H. Riley	Henry Ward
M. T. McCarthy	Joe E. Robinson	L. R. Wells
T. B. McConnell	John C. Robinson	W. G. Williams
J. L. McDermott	W. T. Rollo	Charles Wylie
Lloyd MacDonald	A. W. Ross	
Elmer McGlothen	Carl Scheben	

Dr. Shields moved that the reading of the Journal of yesterday's proceedings be dispensed with.

Said motion was agreed to.

Dr. Shields moved that the session of today be extended indefinitely.

Said motion was agreed to.

A message was received from the Senate announcing that they had passed the following resolution, viz.:

WHEREAS, It appears that certain changes were made in House Bill No. 1, not in regular course: Now, Therefore,

Be it Resolved, by the Senate, the House concurring therein, that a committee be appointed consisting of three Senators to be selected by the President of the Senate and five members of the House to be selected by the Speaker of

the House, to investigate said changes, the manner in which they were made, by whom authorized or done, and by what authority, and report to this Senate at the present or some future session.

Be it Further Resolved, that the Committee shall have the power to investigate the changes above mentioned by hearing witnesses under oath, and they are hereby empowered to subpoena any witness desired to be heard and the Chairman of said committee shall issue said subpoena for any witnesses desired and is further empowered to administer oath to any such witness to be heard, and shall have power to punish for contempt for failure of any witness or person, to obey any order or subpoena of the Committee.

Dr. Shields moved that the House do now recess until one o'clock P. M.

Said motion was agreed to.

And then the House recessed.

AFTERNOON SESSION

The hour of one o'clock P. M. having arrived, the Speaker resumed the Chair and called the House to order.

The House took up for consideration a resolution which originated in the Senate and which was reported to the House during the morning session.

(For resolution see House Journal of today, *ante.*)

Dr. Shields offered the following amendments to said resolution, viz.:

Amend S. Res. 7 in House by striking therefrom in the

first section of the resolution in the last line thereof the words "to this Senate" and by inserting in lieu thereof the words "to the General Assembly of the Commonwealth of Kentucky".

Amend S. Res. 7 in House by striking therefrom in the first section of the resolution the words "three Senators" and inserting in lieu thereof the words "five Senators".

Said amendments were agreed to.

Mr. Wells offered the following amendment to said resolution, viz.:

Amend S. Res. 7 in House by striking from the resolution the words "or some future session" and inserting in lieu thereof the words "at the next two Special sessions".

Said amendment was agreed to.

Mr. Hammons offered the following amendment to said resolution, viz.:

Amend S. Res. 7 by adding at the end: Said committee is authorized to continue its investigations after the adjournment of this special session or other special sessions if it has not completed them prior to the *sine die* adjournment of this session. It shall report either to this session or to any subsequent special session of this General Assembly. It shall keep a record of its proceedings, including the testimony of witnesses. It shall certify its necessary expenses to the Speaker of the House and to the President of the Senate, and to the clerks of the House and Senate, and these expenses shall be paid out of the contingent funds heretofore appropriated for the clerks of the House and Senate.

Mr. Gnau raised the point of order that said amendment

as offered by Mr. Hammons was not in order inasmuch as it carried an appropriation and would necessarily have to be read on three days in the House.

The Speaker ruled that the point of order as raised by Mr. Gnau was well taken.

Said resolution was then concurred in, as amended.

A message was received from the Senate announcing that they had passed a bill which originated in this House, entitled:

H. B. 1. An Act to reorganize and simplify the departments of the State government for the purpose of providing for better service and economy; providing for the departments and independent agencies therein specified; redistributing the powers and duties of the existing officers, departments, boards, commissions, institutions, and other agencies among them; abolishing certain offices, departments, boards, commissions, institutions, and other agencies; creating certain others; transferring others; defining the organization, powers and duties of offices, departments, boards, commissions and other agencies that are hereby created or retained and providing for coordination; fixing terms of office, salaries, methods of appointments and election to, duties of, qualifications for, and methods of removal from, offices and positions; repealing all laws and parts of laws in conflict with the provisions of the Act, and declaring an emergency to exist.

With an amendment thereto as proposed by the Senate.

Mr. Gnau moved that the roll of the House be called to ascertain whether there be a quorum.

Said motion was agreed to.

Thereupon the roll of the House was called and the following members answered to their names, viz.:

F. T. Allen	Ferd A. Gnau	J. C. Nickell
W. T. Baker	Eugene Gough	Russell O'Neill
B. F. Bedford	Ben Grogan	Mel Petry
Reuben J. Boling	C. L. Hammons	A. W. Pfeiffer
Douglas Bolling	W. L. Hampton, Jr.	J. C. Ramey
Ollie J. Bowen	Clyde S. Howard	Hobart Rayburn
Wallace Brown	Ira W. Hulette	Wade H. Riley
Jas. C. Carter	John M. Hunnicut	Joe E. Robinson
Floyd Clark	Ben W. Johnson	John C. Robinson
Roscoe Claxon	J. H. Jones	A. W. Ross
George S. Clay	O. C. Jones	Carl Scheben
J. A. Coleman	R. T. Kirkman	Carl Schneider
Roy Conway	Leslie Larrimore	Ray O. Shehan
Herbert Cook	M. T. McCarthy	Dr. B. F. Shields
Sam Dever	T. B. McConnell	P. L. Sidebottom
Stanley S. Dickson	J. L. McDermott	Chester D. Silvers
George W. Dunlap	Lloyd MacDonald	Bruce Sloan
Howard G. Early	Elmer McGlothen	Henry Stewart
Garland Embry	John Marshall	W. R. Tapp
Clarence E. Evans	C. S. Matherly	J. J. Thomas
Walter R. Fannin	D. T. Matlack	S. J. Wagner
Chas. P. Farnsley	Duke Mayfield	Joseph L. Wall
T. P. Fitzpatrick	W. H. Miller	Henry Ward
H. Myer Garner	John B. Mollett	L. R. Wells
James Garnett, Jr.	Tyler Munford	W. G. Williams
G. W. Garrett	Rodes K. Myers	Charles Wylie

(For bill see House Journal of March 4.)

Said amendment as proposed by the Senate is as follows, viz.:

Amend H. B. 1 as printed in the Senate: Article X, Section 5, page 11, by striking therefrom lines 1, 2, 3, 4, 5 and 5½ and 6, through the word "thereof" and substituting in lieu thereof the following words: "The Division of Purchases

and Public Properties under the direction of the Commissioner of Finance, shall purchase for the combined requirements of all spending agencies of the state all supplies, materials, and equipment except library books and scientific equipment, or shall control or delegate the purchase thereof.'' And further striking therefrom on said page 11 of said division 5, after the word ''equipment'' in line 16, ''Except as provided in Article VIII of this Act''; and also further amend said Article X, Section 6 thereof, on page 16 of said printed bill, beginning in line 109 and striking therefrom the following: ''Except as provided in Article VIII of this Act'' and changing the small letter ''t'' in the word ''the'' to a capital ''T''.

Amend H. B. 1 in the Senate, Article X, Section 6, under the division of Personnel Efficiency, on page 14, by striking therefrom all of lines 54, 55, 56, 57, 58 on said page 15, all of lines 58¼, 58½, 59, 59½, 60, 60¼, 60½, 61, 61¼, down to and including the word ''Finance'' and insert in lieu thereof the following: ''Heads of Departments and Divisions herein explicitly provided, private secretaries of heads of such departments and divisions, members of State boards or commissions, the judges and clerks of courts and the employees thereof, employees of the House and Senate, directing heads of the university, colleges, and other State schools and all professors, teachers and staffs in these institutions shall be exempt from the test required in this Section.''

Said amendment was then concurred in.

Said bill was then passed, as amended.

The yeas and nays being taken thereon in accordance with the provisions of the Constitution, were as follows, viz.:

Those who voted in the affirmative were—

F. T. Allen C. W. Anderson, Jr. W. T. Baker

B F. Bedford	W. L. Hampton, Jr.	Mel Petry
Douglas Bolling	Clyde S. Howard	A. W. Pfeiffer
Ollie J. Bowen	Ira W. Hulette	J. C. Ramey
Wallace Brown	John M. Hunnicut	Wade H. Riley
Floyd Clark	Ben W. Johnson	Joe E. Robinson
Roscoe Claxon	J. H. Jones	John C. Robinson
George S. Clay	O. C. Jones	A. W. Ross
J. A. Coleman	R. T. Kirkman	Carl Scheben
Roy Conway	M. T. McCarthy	Carl Schneider
Herbert Cook	T. B. McConnell	Dr. B. F. Shields
Sam Dever	J. L. McDermott	P. L. Sidebottom
Stanley S. Dickson	Elmer McGlothen	Bruce Sloan
George W. Dunlap	John Marshall	W. R. Tapp
Clarence E. Evans	C. S. Matherly	J. J. Thomas
Chas. P. Farnsley	D. T. Matlack	S. J. Wagner
T. P. Fitzpatrick	Duke Mayfield	Joseph L. Wall
James Garnett, Jr.	W. H. Miller	Henry Ward
Fred A. Gnau	Tyler Munford	L. R. Wells
Eugene Gough	Rodes K. Myers	Charles Wylie
Ben Grogan	J. C. Nickell	John Kirtley, Spkr.

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Those who voted in the negative were—

Jas. C. Carter	C. L. Hammons	Ray O. Shehan
Howard G. Early	Leslie Larrimore	Chester D. Silvers
Walter R. Fannin	Lloyd MacDonald	Henry Stewart
H. Myer Garner	Russell O'Neill	

—11

Dr. Shields moved that the vote by which said bill was passed, as amended, be reconsidered and that said motion lie on the table.

Said last named motion was agreed to.

Ordered that said bill be delivered to the Enrolling Clerk of the House.

The Speaker announced that in accordance with the provisions of Senate Resolution No. 7, heretofore adopted by this

House, he had appointed Messrs. Joe Robinson, James Garnett, Ferd Gnau, W. H. Miller, O. C. Jones as members constituting said committee.

Mr. Matlack moved that a Committee be appointed to draft suitable resolutions on the death of The Hon. W. R. Shackelford of Richmond, Kentucky.

Said motion was agreed to.

Thereupon the Speaker appointed Messrs. Matlack, Wylie, J. H. Jones, F. T. Allen and Chester Silvers as members constituting said commitee.

Mr. Dickson, of the Committee on Enrollment, reported that they had examined and found to be correctly enrolled a bill entitled:

H. B. 1. An Act to reorganize and simplify the departments of the State government for the purpose of providing for better service and economy, etc.

Thereupon all other business was suspended, said bill was read at length and compared in open session and found to be correctly enrolled, and thereupon in open session and in the presence of the House, the Speaker affixed his signature thereto.

Ordered that the Enrolling Clerk deliver said bill to the Senate.

After a time the Enrolling Clerk delivered the original and enrolled copy of said bill, duly signed by the President of the Senate, into the possession of the Chief Clerk of the House.

Ordered that the Chief Clerk deliver said bill to the Governor.

After a time the Chief Clerk reported that he had discharged that duty.

Dr. Shields moved that a committee be appointed to inform the Senate that the House has completed the business before it and to request the Senate to appoint a similar committee to act in conjunction with said committee on the part of the House, to wait upon the Governor and inform him that the Senate and House of Representatives, composing this General Assembly, have completed their labors and are now ready to adjourn *sine die* and to ascertain from him if he has any further communication to make to the General Assembly.

Said motion was agreed to.

Thereupon the Speaker appointed Messrs. Rayburn, Matlack, Sidebottom, Nickel and Petry as members constituting said committee.

The Speaker announced that under the provisions of Article XXI of House Bill 1, he had appointed the following as members of the Legislative Council: Messrs. B. F. Shields, Chas. Wylie, Harry Davis, Ben Grogan and Marion McCarthy.

Said committee was then approved by the House.

After a time the committee heretofore appointed by the Speaker to inform the Senate that the House had completed the business before it and in conjunction with a like committee on the part of the Senate, to wait upon the Governor, reported that they had discharged the duties imposed upon them

and that they had been informed by the Governor that he had no further communication to make to the General Assembly.

The Journals of this House were then read and compared and approved by the House, and then the House adjourned *sine die*.

Approved:
JOHN KIRTLEY,
Speaker of the House of Representatives.

Attest:
BROOKS L. HARGROVE,
Chief Clerk, House of Representatives.

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FIRST EXTRAORDINARY SESSION
GENERAL ASSEMBLY OF
KENTUCKY, 1936

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ROLL CALL—

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